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1915

Sixty First Annual Report

of the

Board of Directors

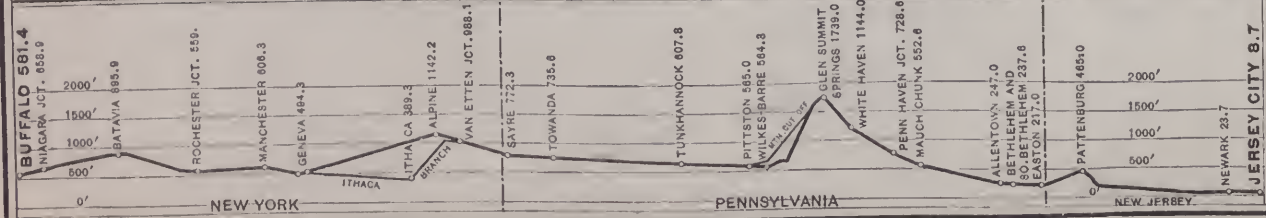
of the

Lehigh Valley Railroad Company

to the

Stockholders

Fiscal Year Ended June 30, 1915





Sixty First Annual Report

of the

Board of Directors

of the

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Fiscal Year Ended June 30, 1915

LEHIGH VALLEY RAILROAD COMPANY

BOARD OF DIRECTORS

GEORGE F. BAKER
WILLIAM R. BUTLER
MORRIS L. CLOTHIER
WILLIAM P. CLYDE
HENRY B. COXE
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EDWARD S. MOORE
WILLIAM H. MOORE
ABRAM NESBITT
DANIEL G. REID
EDWARD B. SMITH
EDWARD T. STOTESBURY

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J. A. MIDDLETON. *Vice President*
T. N. JARVIS. *Vice President*
L. D. SMITH. *Vice President*
D. G. BAIRD *Secretary*
C. J. KULP *Treasurer*
J. I. MORRISON *General Auditor*

1915

SIXTY FIRST ANNUAL REPORT

PHILADELPHIA, August 3, 1915.

To the Stockholders of the

LEHIGH VALLEY RAILROAD COMPANY.

The Board of Directors herewith submit the annual report of the business and condition of your Company for the fiscal year ended June 30, 1915.

MILEAGE

The first track mileage owned or controlled and operated by the Lehigh Valley Railroad Company, the main line of which is double track, extending from Jersey City, N. J., to Buffalo and Suspension Bridge, N. Y., is as follows:—

	MILES
Lehigh Valley Railroad Company	316.88
Controlled by ownership of entire capital stock	938.67
Controlled by ownership of majority of capital stock and lease	115.37
Operated under lease	27.73
Total mileage operated (owned or controlled)	1,398.65
Trackage rights over railroads owned by other companies	43.71
Total first track mileage	1,442.36

In addition to the above there are 594.86 miles, or 41.24 per cent., of second track, 99.51 miles of third track, 44.84 miles of fourth track and 1,215.76 miles of yard tracks and sidings, a total of 3,397.33 miles of track in operation at the close of the year. A detailed statement of track mileage is shown on pages 47 to 49. The average number of miles of railway operated for the year was 1,443.52, upon which the mileage statistics in certain tables submitted in this report are based.

The total decrease of 1.38 track miles compared with the preceding year is due, in the main, to the deduction of 1.07 miles of trackage rights, the use of which was discontinued during the year.

OPERATING REVENUES AND EXPENSES

The following statement sets forth the total revenues and expenses and net revenue from operation for the fiscal year, compared with similar figures for the fiscal year 1914. The complete income account appears on page 24.

The Interstate Commerce Commission having ordered certain further changes in the classification of operating revenues, expenses and income, effective July 1, 1914, it has been necessary, for the purpose of a proper comparison, to re-state the figures for the preceding fiscal year; hence those figures will in many cases be at variance with similar items published in last year's annual report. The principal change is the elimination of Outside Operations which represent the operations of certain of our water lines, etc., the revenue from which is now included in Operating Revenues and the expenses in Operating Expenses. Similar explanation applies with respect to the classification of various items on the balance sheet which has been changed from the balance sheet published in previous years so as to conform with the accounting requirements of the Commission.

OPERATING REVENUES

FROM	1915	1914	INCREASE	DECREASE
Coal freight	\$19,195,755 50	\$18,528,246 44	\$667,509 06	. . . . .
Merchandise freight	16,005,501 45	15,541,885 90	463,615 55	. . . . .
Passenger	4,043,799 00	4,795,147 44	. . . . .	\$751,348 44
Mail	195,124 81	195,052 87	71 94	. . . . .
Express	449,622 82	443,971 75	5,651 07	. . . . .
Other transportation	2,022,230 85	2,063,650 04	. . . . .	41,419 19
Incidental	613,927 59	602,692 34	11,235 25	. . . . .
Total operating revenues	\$42,525,962 02	\$42,170,646 78	\$355,315 24	. . . . .

OPERATING EXPENSES

	1915	1914	INCREASE	DECREASE
Maintenance of way and structures	\$4,483,924 72	\$4,674,725 37	. . . . .	\$190,800 65
Maintenance of equipment	8,207,491 18	7,669,793 05	\$537,698 13	. . . . .
Traffic expenses	959,830 08	1,040,594 15	. . . . .	80,764 07
Transportation expenses	15,382,186 83	15,804,058 77	. . . . .	421,871 94
General expenses	913,954 73	898,733 86	15,220 87	. . . . .
Total operating expenses	\$29,947,387 54	\$30,087,905 20	. . . . .	\$140,517 66
NET OPERATING REVENUE	\$12,578,574 48	\$12,082,741 58	\$495,832 90	. . . . .
Ratio of operating expenses to operating revenues	70.42 %	71.35 %	. . . . .	.93 %

OPERATING REVENUES**COAL FREIGHT**

The revenue derived from the transportation of coal and coke amounted to \$19,195,755.50, an increase of \$667,509.06, or 3.60 per cent., as compared with the preceding twelve months.

The percentage of coal freight revenue to total operating revenues was 45.14 per cent., an increase of 1.20 per cent.

The coal and coke transported, excluding the Company's supply coal, was 16,894,930 tons, an increase of 429,982 tons, or 2.61 per cent.

This class of tonnage was 55.82 per cent. of the total tonnage hauled during the year, an increase of .52 per cent.

MERCHANDISE FREIGHT

The transportation of merchandise freight produced a revenue of \$16,005,501.45, an increase of \$463,615.55, or 2.98 per cent., as compared with the preceding year.

The revenue derived from the transportation of merchandise freight was 37.64 per cent. of the total operating revenues, an increase of .79 per cent.

The tonnage moved, excluding Company's material, was 13,373,771 tons, an increase of .49 per cent.

GENERAL FREIGHT

The total revenue derived from both coal and merchandise freight was \$35,201,256.95, an increase of \$1,131,124.61, or 3.32 per cent., as compared with the preceding twelve months.

The entire freight traffic amounted to 30,268,701 tons, an increase of 495,421 tons, or 1.66 per cent.

The number of tons carried one mile was 5,326,328,902, an increase of 140,128,336 ton miles, or 2.70 per cent.

The average haul was 175.97 miles, an increase of 1.78 miles, or 1.02 per cent.

The average revenue per ton was 116.30 cents, as compared with 114.43 cents last year, an increase of 1.87 cents, or 1.63 per cent.

Company's freight, not included in the above, amounted to 3,073,660 tons, a decrease of 62,095 tons, or 1.98 per cent.

1915

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Lehigh Valley Railroad Company

The total freight train mileage was 8,580,867 miles, an increase of 244,295 miles, or 2.93 per cent.

The revenue received per freight train mile was \$4.10, an increase of \$0.01, or .24 per cent.

The average trainload of revenue freight was 620.72 tons, a decrease of 1.38 tons, or .22 per cent. Including Company's freight, the average trainload was 643.62 tons, a decrease of 1.57 tons, or .24 per cent.

PASSENGER

The earnings received from passenger traffic amounted to \$4,043,799.00, a decrease of \$751,348.44, or 15.67 per cent., compared with the preceding year.

The total number of passengers carried was 5,206,972, a decrease of 522,070, or 9.11 per cent.

The number of passengers carried one mile decreased 49,671,062, or 18.72 per cent.

The average revenue per passenger was 77.66 cents, a decrease of 6.04 cents, or 7.22 per cent.

The average revenue per passenger per mile was 1.875 cents, an increase of .068 cent, or 3.76 per cent.

The average distance traveled by each passenger was 41.42 miles, a decrease of 4.89 miles, or 10.56 per cent.

Passenger train mileage was 4,170,202, a decrease of 225,157 miles, or 5.12 per cent., as compared with a decrease in this revenue of 15.67 per cent.

The average revenue from passengers per passenger train mile was 96.97 cents, a decrease of 12.13 cents, or 11.12 per cent.

MAIL

The sum of \$195,124.81 was received from the Federal Government for the transportation of United States mail, an increase of \$71.94.

EXPRESS

The revenue from this class of business amounted to \$449,622.82, an increase of \$5,651.07.

OTHER TRANSPORTATION

The earnings derived from transportation other than shown under the preceding headings were \$2,022,230.85, a decrease of \$41,419.19.

INCIDENTAL

Incidental revenue amounted to \$613,927.59, an increase of \$11,235.25.

OPERATING EXPENSES

MAINTENANCE OF WAY AND STRUCTURES

The sum of \$4,483,924.72 was expended for the maintenance of way and structures, a decrease of \$190,800.65, or 4.08 per cent., as compared with the preceding year.

A new four-track steel bridge was constructed during the year to replace a double-track steel bridge. Three overhead steel street bridges were raised, in connection with Buffalo Terminal improvements, and additional spans with solid floors were erected. One steel bridge was built in connection with new track construction. Sixteen steel bridges and eleven concrete-steel bridges were placed in the track, replacing light iron or wooden bridges. Three iron and eight wooden bridges were replaced by pipe culverts, and four iron and two wooden bridges were abandoned and the openings filled. One arch culvert was filled and abandoned and four wooden trestles were substantially shortened by filling.

5,535 tons of 110-pound rail, 30,549 tons of 100-pound rail and 45 tons of 90-pound rail, together with necessary frogs, switches, etc., were placed in the track.

1,118,810 tie plates and 193,934 anti-rail creepers were used.

1,001,577 cross ties, 2,842,100 feet B. M. switch ties, 637,471 feet B. M. bridge ties and lumber amounting to 3,511,267 feet B. M. were used.

647,981 of the cross ties, 2,495,412 feet B. M. of switch ties and 596,560 feet B. M. of bridge ties were treated with creosote.

65,612 cubic yards of crushed stone were used in ballasting track. 18,197 feet of drain tile were placed in the roadbed.

334.93 miles of copper and 54.50 miles of iron wire were used in extending and renewing the telephone, telegraph and signal wires on the system.

MAINTENANCE OF EQUIPMENT

The expenditures for the maintenance of equipment amounted to \$8,207,491.18, an increase of \$537,698.13, or 7.01 per cent., as compared with the preceding twelve months. Included therein is a charge of \$1,426,831.06 for the depreciation of equipment, as required by the accounting rules of the Interstate Commerce Commission.

Ten worn-out locomotives, one passenger car, three express cars, two fruit cars, 572 freight equipment cars and thirteen road service cars were condemned and either sold or destroyed during the year and their value written off the books by appropriate charges through operating expenses.

Four passenger cars, five express cars, four fruit cars and one combined baggage and mail car were converted into workmen's cars. Eighteen produce cars were converted into ice cars and fifty freight equipment cars were transferred to road service.

Twenty-eight locomotives have been equipped with additional air pumps and one hundred and fifty-nine with bull's-eye lubricators, to meet the requirements of the Interstate Commerce Commission.

Fifty-six locomotives had new fire boxes applied, one hundred and fifteen were equipped with new cylinders and nine with new boilers.

275 passenger equipment cars were painted and varnished and thirteen equipped with electric lighting apparatus. Three dining cars and five milk cars were equipped with steel underframes.

Steel underframes were applied to 2,286 wooden freight and coal cars, making a total of 14,658 cars so equipped during the last seven years. Five eight-wheel cabooses were equipped with steel underframes. 12,855 freight equipment cars, one passenger equipment car and thirty-six road service cars were equipped with safety appliances to conform to the requirements of the Interstate Commerce Commission.

The total number of locomotives on hand at the close of the year was 945, with a tractive power of 30,234,824 pounds. The total number of freight equipment cars was 45,459, with a capacity of 1,693,578 tons.

TRAFFIC EXPENSES

The expenditures under this heading amounted to \$959,830.08, a decrease of \$80,764.07, as compared with the preceding twelve months.

TRANSPORTATION EXPENSES

The cost of conducting transportation was \$15,382,186.83, a decrease of \$421,871.94, or 2.67 per cent., as compared with the preceding year, notwithstanding an increase of .84 per cent. in the total operating revenues.

The ratio of transportation expenses to total operating revenues was 36.17 per cent., a decrease of 1.31 per cent. as compared with the preceding year.

GENERAL EXPENSES

This class of expenses amounted to \$913,954.73, or 2.15 per cent. of the total operating revenues.

TAXES

The taxes accrued on your property, capital and business during the year amounted to \$1,797,379.16, an increase of \$36,967.58 over the preceding year.

ADDITIONS AND BETTERMENTS

The sum of \$2,974,042.42 was expended during the year for the acquisition of new property and for the improvement and development of existing property, which amount has been charged to Additions and Betterments, as required by the Interstate Commerce Commission. A classified statement of these expenditures appears on page 44. Specific mention is made of the more important expenditures, viz.:

The new equipment purchased and added to the property during the year is as follows: Three passenger locomotives, five switching locomotives, two locomotive tenders, thirty steel passenger coaches, ten steel smoking cars, twenty-five steel baggage cars, two 150-ton steam derricks, two Russell snow plows, one caboose, one motor inspection car and one tank car. A portion of this equipment is covered by the Equipment Trust referred to in full under the heading "Financial."

In addition to the foregoing, orders have been placed for ten Pacific type passenger locomotives, five switching locomotives, three locomotive tenders and twenty steel-under-frame milk cars.

During the past fiscal year, fifty-three heavy Consolidation type freight locomotives were rebuilt and equipped with superheaters, new cylinders and Walschaert valve gears. These changes have resulted in a reduced fuel consumption as well as increased efficiency of operation due to the better sustained steaming qualities of the engines.

Work in connection with the new passenger and freight terminals at Buffalo is progressing favorably. The plans for the buildings were approved, contracts awarded and work commenced on April 14, 1915. It is expected that the freight terminal will be completed and ready for use by November next and the passenger terminal at a later date.

A new open pier 1,060 feet in length and 76 feet in width, equipped with modern ore handling machinery together with necessary yard tracks, is being constructed at tidewater near Constable Hook and, when completed, will accommodate steamships of 35-foot draft. The furnaces in the Lehigh Valley region will utilize these facilities for the handling of foreign ores. It is expected that this improvement will be completed early in the spring of 1916.

During the year considerable improvements and additions have been made to the pier stations in the City of New York. A long term lease was concluded with the City for the wharf property on the North River at the foot of Rector Street and your Company is now constructing thereon a new pier 730 feet long and 75 feet wide, with

Lehigh Valley Railroad Company

suitable bulkheads on each side, which will be ready for operation about January 1, 1916. This will enable your Company to dispense with the station facilities at Pier 2, which are no longer adequate. The substructure of the new pier will be of concrete above the low-water line and the superstructure will be of steel, the pier section of which will be one-story and the bulkhead section two-stories. Pier 44, East River, located between Gouverneur and Jackson Streets, has also been acquired under a long term lease from the City and will be equipped with a two-story steel shed, primarily intended for the handling of flour, the pier being advantageously located in the center of distribution of that commodity. At the 149th Street station there is now in course of erection a steel building, equipped with automatic sprinkler, for the storage of hay, a commodity which is extensively handled in that locality. At Pier 5, Wallabout, Brooklyn, where your Company previously leased only about one-fourth of the pier, it acquired the entire pier, enlarged the steel shed and installed an automatic sprinkler system. The acquisition of these additional pier facilities will permit your Company to render improved service to its patrons.

A modern steel and concrete ground-level plant for handling coal from cars to boats, with a capacity of 500 cars in ten hours, is being installed at Tift Farm, Buffalo, and will be ready for service early in August. It will be operated by electricity and will consist of two rocking cradles for unloading box cars and four fixed hoppers for unloading open cars. The coal will be conveyed by apron flights to a telescopic chute in the boat. This installation will reduce breakage of coal to a minimum, will eliminate all fire risk now incident to the high wooden trestle and also reduce the cost of maintenance.

66,422 feet, or 12.58 miles, of Company's sidings, and 15,787 feet, or 2.99 miles, of industrial sidings, were constructed during the year.

To avoid surface disturbances by reason of mine workings of one of the large anthracite mining companies, a change of line was completed between Espy Run and Newport, a distance of 1.2 miles. In making this change 82 degrees of curvature were eliminated, including a double reverse curve of 6 and 8 degrees respectively.

The car repair yard at Coxton is being relocated in order to provide additional room necessary for car repairs and at the same time to permit of the use of the old car repair tracks for the enlargement of the classification yard. About 8,000 feet of track have been constructed in this connection. The yards at South Plainfield, Perth Amboy and Oak Island were enlarged, resulting in increased capacities of 41, 174 and 32 cars respectively.

A new fifty-stall fireproof enginehouse, together with a 100-foot electrically operated turntable, is in course of construction at Sayre.

A concrete freight house was erected at Lehigh. Dwelling houses of hollow tile and stucco construction, for the accommodation of foremen and laborers, were constructed

at Flemington Junction, Ashmore and Phelps. Extensive improvements were made to the Company dwelling houses at Delano and to the milk shipping stations at West Portal, Tioga Centre and Wysox. A frame shelter was erected at Weequahic Park, Newark, for the accommodation of incoming passengers waiting for trolley cars. In the waiting rooms of the Wilkes-Barre passenger station a new marbleoid floor was laid and new seating accommodations and electric light fixtures were installed.

A new 46-foot track scale was installed at South Plainfield.

Eleven gasoline motor cars were purchased for use of section, bridge, signal and telegraph gangs, making a total of 110 now in service.

The improvements in connection with the water supply at Lehighton and Packerton, comprising the construction of a reservoir of five million gallons capacity on Beaver Run and a dam across Mahoning Creek, together with electric pumping machinery and connecting pipe lines, which will afford an independent and ample supply of water for the locomotives and shops at those points, referred to in last year's report, are about one-half completed. A new water station with a 52,500-gallon steel standpipe supplied by gravity was established at Sheldrake Springs.

Automatic disc signals between Slatington and Penn Haven Junction, a distance of 21.3 miles, were replaced with three-position upper-quadrant signals, and the automatic disc signals between Laceyville and Wilkes-Barre, a distance of 49.1 miles, have been renewed with two-position lower-quadrant signals. Extensive improvements were made to the mechanical interlocking plant at Pine Junction.

Visible and audible crossing signals were installed at the following points: Morley's Crossing, east of Athens; Stanton; Clinton Avenue, South Plainfield; Colfax Avenue and Walnut Street, Roselle Park; Manville; and Lexington Avenue, Picton.

During the year thirty-five portable telephones were installed on freight and passenger trains, making a total of 720 in service, which completes the work of equipping trains. The purpose of these telephones is to enable train crews to communicate immediately with the proper officers in case of accident or unusual delay.

New telegraph and telephone pole lines were erected for a distance of 4.50 miles on the Mahanoy and Hazleton Division, .83 of a mile on the Seneca Division and 2.50 miles on the Buffalo Division. Telegraph and telephone lines were rebuilt for a distance of 9.68 miles on the New Jersey and Lehigh Division, 2.10 miles on the Mahanoy and Hazleton Division, 23.85 miles on the Wyoming Division and 21 miles on the Buffalo Division. Poles were reset for a distance of 23.90 miles on the New Jersey and Lehigh Division, 19.70 miles on the Mahanoy and Hazleton Division and 6.60 miles on the Wyoming Division.

FINANCIAL

No capital obligations have been issued and sold by your Company during the fiscal year.

The following obligations matured and were retired during the year:

DESCRIPTION	INTEREST RATE	MATURITY	AMOUNT
Collateral Trust Bonds	4%	Feb. and Aug.	\$1,000,000
Equipment Trust, Series I, Certificates	4%	September	400,000
Equipment Trust, Series J, Certificates	4½%	Mar. and Sept.	500,000
Equipment Trust, Series K, Certificates	4%	Mar. and Sept.	300,000
Equipment Trust, Series L, Certificates	4½%	April and Oct.	400,000
Equipment Trust, Series M, Certificates	4½%	March	200,000
Total			\$2,800,000

Thus far the improvements which have been made in connection with the new freight and passenger terminals at Buffalo, referred to elsewhere in the report, have been financed out of the current cash resources of the Company. It is proposed, however, at a later date to make a specific issue of bonds to cover the major portion of this expenditure. Accordingly a new company has been incorporated, known as the Lehigh-Buffalo Terminal Railway Corporation, which will take title to the real estate and make all the improvements incident to the construction of the terminals. Application is now pending before the Public Service Commission of New York State for authority to have the terminal corporation issue to the Lehigh Valley Railroad Company Fifty-Year Five Per Cent. Gold Debenture Bonds for such moneys as have been and will be advanced to it for this purpose. These bonds, when received, will be placed in the treasury of your Company. All of the real estate which was acquired by your Company and its subsidiaries is now being transferred to the new company.

The Equipment Trust, known as Series M, covering an issue of \$1,800,000 Four and One-half Per Cent. Certificates, which was authorized last year, as mentioned in that annual report, has been completed and the certificates are now in the Company's treasury. The same mature in annual installments of \$200,000 on March 1st of each year, the last installment being due on March 1, 1923. The \$200,000 which matured March 1, 1915, were duly cancelled. This trust is a lien upon one thousand self-clearing double hopper steel coal cars of 100,000 pounds capacity each, sixty-five steel passenger coaches, twenty-five steel baggage and express and ten steel smoking cars.

Lehigh Valley Railroad Company

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The advances made by the Lehigh Valley Railroad Company to subsidiary companies, of which it owns the entire capital stock, were reimbursed by the issuance of Fifty-Year Five Per Cent. Gold Debenture Bonds as follows:—

The Lehigh Valley Rail Way Company.....	\$380,000
Lehigh Valley Railroad Company of New Jersey.....	240,000
Pennsylvania and New York Canal and Railroad Company.....	145,000
National Storage Company.....	80,000

These securities have been deposited with the Trustee of the General Consolidated Mortgage, as required by the terms of that mortgage.

To reimburse your Company for advances made to it for capital expenditures, the Wyoming Valley Water Supply Company has issued \$80,000 First Mortgage Five Per Cent. Bonds which have been received and placed in the treasury.

The book value of the capital stock of Cox & Brothers & Company, Incorporated, has been reduced by the sum of \$1,000,000, and Profit and Loss charged with that amount, as has been the practice in preceding years.

There has been a reduction in the book value of the capital stock of the Temple Iron Company as a result of the liquidation of its anthracite business following the decree of the Supreme Court of the United States.

Material and Supplies on hand at the close of the year amounted to \$2,906,007.63, a decrease of \$467,253.15.

Current Assets are \$8,097,354.72 in excess of Current Liabilities.

Four quarterly dividends of two and one-half per cent. each on the preferred and common capital stocks of the Company were declared and paid during the year.

The cash and security balances of the Company for the year have been verified by certified public accountants and a copy of their certificate as to the correctness of the same is given on page 19.

GENERAL REMARKS

Your Company has pursued a fairly aggressive policy in the matter of expenditures for the development and improvement of its property. The appropriations for the year were also very liberal for the maintenance of the permanent way and equipment. In fact, it will be observed by reference to the statement of operating expenses, that the total maintenance appropriations have been somewhat in excess of the preceding year, noticeably so in the case of equipment. Your Board of Directors believed it to be for the best interests of the stockholders to pursue this policy of liberal maintenance and conservative development for

the future, notwithstanding the fact that the revenues were somewhat affected during part of the fiscal year as a result of the disturbed business and financial condition of the country resulting from the European situation.

The attention of the stockholders is again called to the tax accruals which are steadily increasing, and at a rate out of all proportion to the increase in revenues. The total taxes now amount to 4.23 per cent. of your Company's gross operating revenues. In the last ten years operating revenues have increased 29.69 per cent., while taxes have increased 154.21 per cent.

Five new covered barges were received during the year and added to the floating equipment of the Lehigh Valley Transportation Company, the entire capital stock of which is owned by your Company. One tug, fully covered by insurance, was lost at sea. One steam lighter, two cattle boats and six barges which, on account of age and capacity, became undesirable for further service, were condemned and sold.

The Interstate Commerce Commission rendered a decision in the month of May, 1915, under the so-called Panama Canal Act, the effect of which, unless the decision can be modified, will be to compel the Lehigh Valley Railroad Company to cease the operation of six steamers owned by the Lehigh Valley Transportation Company and now operated upon the Great Lakes. These vessels have for years been operated in miscellaneous freight service and served as valuable feeders from western points to your Company's lines which end at Buffalo. The decision of the Commission does not require the discontinuance of these operations until December 1, 1915. The matter is one of grave concern to your Company and is now occupying the earnest attention of its officers.

Your Company has seventeen men engaged in the preparation of data and collection of records in connection with the valuation of the Company's property, for use by the Interstate Commerce Commission, as required by law, and this force will have to be increased as the work progresses.

The passenger stations at Waterloo and Seneca Falls and the passenger train service between Geneva and Seneca Falls were discontinued as of October 1, 1914. This discontinuance was consented to by the Public Service Commission of New York State upon proof being furnished to it that the service was being rendered at a loss to your Company and that the communities interested were being well served otherwise.

Upon petition of the Board of Trade of Irvington the Board of Public Utility Commissioners of New Jersey ordered your Company, effective January 29, 1915, to operate three passenger trains on the Irvington Branch in connection with three main line trains to and from Jersey City. The receipts from this service were so hopelessly inadequate in meeting the expense of operation that the Board of Public Utility Commissioners consented to the withdrawal of the service as of June 22, 1915.

Lehigh Valley Railroad Company

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The operation of the Lehigh and New York Railroad for the year under review resulted in a loss of \$225,826.13. The property of that Company is leased and operated by your Company under an agreement made in 1895.

Sixty new industries were located on the system during the year, of which fifty have direct track connections with your Company's lines.

Total payments direct to labor for the year amounted to \$16,834,699.53, or 56.21 per cent. of the total operating expenses, the same having been distributed among an average of 20,173 employees.

The contribution made by your Company to its Employees' Relief Fund amounted to \$59,989.38.

The officers and employees are thanked for their loyal and faithful services rendered during the year

E. B. THOMAS,

President.

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Lehigh Valley Railroad Company

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HASKINS & SELLS

CERTIFIED PUBLIC ACCOUNTANTS

30 BROAD STREET

NEW YORK

CABLE ADDRESS "HASKSELLS"

WATERTOWN
BALTIMORE
PITTSBURGH
CLEVELAND
CHICAGO
ST. LOUIS
ATLANTA
DENVER
SAN FRANCISCO
LONDON, E. C.

New York, August 2, 1915.

Mr. E. B. Thomas, President,

Lehigh Valley Railroad Company,

Philadelphia, Pennsylvania.

DEAR SIR:

Pursuant to engagement, we have audited the books and accounts of the Lehigh Valley Railroad Company for the fiscal year ended June 30, 1915, including confirmation of the accounts representing cash, securities, and notes, either by physical examination of such assets or by obtaining certifications of depositaries and trustees as to their custody; and

WE HEREBY CERTIFY that the accompanying Income and Profit & Loss accounts for the year and General Balance Sheet at the close of the year are correct.

Yours truly,

(Signed), HASKINS & SELLS,

Certified Public Accountants.

APPENDIX

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Lehigh Valley Railroad Company

COMPARATIVE INCOME ACCOUNT FOR THE YEARS ENDED JUNE 30,
1915 AND 1914

	1915	1914	INCREASE	DECREASE
OPERATING REVENUES:—				
Coal freight revenue	\$19,195,755 50	\$18,528,246 44	\$667,509 06	
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Transportation expenses	15,382,186 83	15,804,058 77		421,871 94
General expenses	913,954 73	898,733 86	15,220 87	
Total operating expenses	\$29,947,387 54	\$30,087,905 20		\$140,517 66
Ratio of operating expenses to operating revenues	70.42 %	71.35 %		.93 %
Net operating revenue	\$12,578,574 48	\$12,082,741 58	\$495,832 90	
RAILWAY TAX ACCRUALS	\$1,689,109 33	\$1,659,280 99	\$29,828 34	
UNCOLLECTIBLE RAILWAY REVENUES	14,781 88		14,781 88	
Total tax accruals, etc.	\$1,703,891 21	\$1,659,280 99	\$44,610 22	
OPERATING INCOME	\$10,874,683 27	\$10,423,460 59	\$451,222 68	
OTHER INCOME:—				
Hire of equipment—Credit balance	†\$68,807 74	\$325,440 01		\$394,247 75
Joint facility rent income	325,579 07	402,957 70		77,378 63
Dividend income	712,998 77	*1,241,034 58		528,035 81
Income from funded securities	428,027 08	423,060 00	\$4,967 08	
Miscellaneous income	544,414 27	624,197 19		79,782 92
Total other income	\$1,942,211 45	\$3,016,689 48		\$1,074,478 03
TOTAL INCOME	\$12,816,894 72	\$13,440,150 07		\$623,255 35
DEDUCTIONS FROM INCOME:—				
Interest on funded debt	\$3,459,738 48	\$3,308,428 49	\$151,309 99	
Rent for leased roads	2,131,795 00	2,212,420 00		\$80,625 00
Joint facility rents	208,613 37	210,322 40		1,709 03
Miscellaneous rents	526,985 22	514,084 51	12,900 71	
Miscellaneous tax accruals	108,269 83	101,130 59	7,139 24	
Miscellaneous deductions	59,047 86	37,104 39	21,943 47	
Total deductions from income	\$6,494,449 76	\$6,383,490 38	\$110,959 38	
NET INCOME	\$6,322,444 96	\$7,056,659 69		\$734,214 73

† Debit balance.

* Includes dividend of \$685,080.00 on capital stock of Temple Iron Co.

1915

Lehigh Valley Railroad Company

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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30, 1915

	DR.	CR.
Balance, July 1, 1914		\$23,898,683 75
Net income for year ended June 30, 1915		6,322,444 96
Adjustments account distribution of cost of sundry real estate purchased in prior years		574,236 34
Miscellaneous adjustments		7,402 13
Reduction of book value of capital stock of Coxo Brothers & Co., Inc. . .	\$1,000,000 00	
Property abandoned	49,250 30	
Dividends:		
Two and one-half per cent. on preferred stock, paid		
Oct. 10, 1914	\$2,657 50	
Two and one-half per cent. on common stock, paid		
Oct. 10, 1914	1,512 542 50	
Two and one-half per cent. on preferred stock, paid		
Jan. 9, 1915	2,657 50	
Two and one-half per cent. on common stock, paid		
Jan. 9, 1915	1,512,542 50	
Two and one-half per cent. on preferred stock, paid		
April 10, 1915	2,657 50	
Two and one-half per cent. on common stock, paid		
April 10, 1915	1,512,542 50	
Two and one-half per cent. on preferred stock, due		
July 10, 1915	2,657 50	
Two and one-half per cent. on common stock, due		
July 10, 1915	1,512,542 50	
Balance, June 30, 1915	6,060,800 00	
	23,692,716 88	
	\$30,802,767 18	\$30,802,767 18
Balance brought forward, July 1, 1915		\$23,692,716 88

Lehigh Valley Railroad Company

GENERAL BALANCE

Dr.

ASSETS

INVESTMENT IN ROAD AND EQUIPMENT:—		
Investment in road	\$24,064,145 93	
Investment in equipment	55,699,182 97	
	\$79,763,328 90	
Less reserve for accrued depreciation	8,371,409 12	
		\$71,391,919 78
INVESTMENT IN MISCELLANEOUS PHYSICAL PROPERTY		4,770,573 52
INVESTMENTS IN AFFILIATED COMPANIES:—		
Stocks	\$46,988,785 27	
Bonds	26,815,926 00	
Notes	353,750 00	
Advances	229,510 12	
		74,387,971 39
OTHER INVESTMENTS:—		
Stocks	\$252,860 00	
Bonds	34,000 00	
Miscellaneous	306,839 00	
		593,699 00
CURRENT ASSETS:—		
Cash	\$9,177,789 11	
Traffic and car-service balances receivable	133,082 01	
Net balance receivable from agents and conductors	984,744 39	
Miscellaneous accounts receivable	1,315,537 70	
Material and supplies	2,906,007 63	
Interest and dividends receivable	199,397 85	
Other current assets	204,829 76	
		14,921,388 45
DEFERRED ASSETS		1,321,493 28
UNADJUSTED DEBITS:—		
Rents and insurance premiums paid in advance	\$140,396 49	
Other unadjusted debits	1,678,456 91	
		1,818,853 40
TOTAL ASSETS		\$169,205,898 82

NOTE:—The Interstate Commerce Commission issued an order, effective July 1, 1914, requiring the reclassification of balance sheet accounts and, accordingly, the balance sheet has been rearranged to conform thereto.

Lehigh Valley Railroad Company

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SHEET, JUNE 30, 1915

Cr.

LIABILITIES

CAPITAL STOCK:—		
1,210,034 shares common stock, par \$50.	\$60,501,700 00	
2,126 shares preferred stock, par \$50.	106,300 00	
		\$60,608,000 00
FUNDED DEBT:—		
Mortgage bonds	\$77,639,000 00	
Collateral trust bonds	11,000,000 00	
Equipment trust obligations	6,200,000 00	
Mortgage on real estate	1,669 18	
	\$94,840,669 18	
Less securities held in treasury of the Company	19,073,000 00	
		75,767,669 18
CURRENT LIABILITIES:—		
Traffic and car-service balances payable	\$89,829 37	
Audited accounts and wages payable	3,218,038 43	
Miscellaneous accounts payable	202,047 56	
Interest matured unpaid	403,986 75	
Dividends matured unpaid	4,197 25	
Unmatured dividends declared	1,515,200 00	
Unmatured interest accrued	558,568 47	
Unmatured rents accrued	355,980 77	
Other current liabilities	476,185 13	
		6,824,033 73
DEFERRED LIABILITIES		1,366,223 89
UNADJUSTED CREDITS:—		
Tax liability	\$450,787 01	
Other unadjusted credits	496,468 13	
		947,255 14
PROFIT AND LOSS		23,692,716 88
TOTAL LIABILITIES		\$169,205,898 82

Lehigh Valley Railroad Company

STATEMENT OF FUNDED DEBT, JUNE 30, 1915

DESCRIPTION	DATE OF MATURITY	INTEREST			PRINCIPAL
		Rate	Payable	Accrued During the Year	
Lehigh Valley Railroad Company:—					
First Mortgage Bonds	June 1, 1948	4%	June and Dec.	\$200,000 00	\$5,000,000 00
Consolidated Mortgage Bonds:—					
Coupon \$1,319,000	Dec. 1, 1923	6%	June and Dec.		
Registered 4,319,000	"	6%	"		
Annuity 10,062,000	Perpetual	6%	"	942,000 00	15,700,000 00
Coupon \$1,669,000	Dec. 1, 1923	4½%	"		
Registered 3,093,000	"	4½%	"		
Annuity 2,538,000	Perpetual	4½%	"	328,500 00	7,300,000 00
General Consolidated Mortgage Bonds	May 1, 2003	{ 4%	May and Nov.	1,065,560 00	26,639,000 00
Collateral Trust Bonds.	\$500,000 semi-annually, to Feb. 1, 1926	{ 4½%	"	450,000 00	10,000,000 00
Equipment Trust, Series J, Certificates	\$250,000 semi-annually, to Sept. 1, 1917	4%	Feb. and Aug.	407,953 33	9,877,000 00
Mortgage on Real Estate.		4½%	Mar. and Sept.	65,625 00	1,250,000 00
				100 15	1,669 18
Total amount of Funded Debt outstanding . . .				\$3,459,738 48	\$75,767,669 18
Amount of Funded Debt in the Treasury of the Company, viz:—					
General Consolidated Mortgage 4% Bonds					13,000,000 00
Collateral Trust 4% Bonds					1,123,000 00
Equipment Trust, Series I, 4% Certificates maturing \$400,000 annually to September 1, 1916 . . .					800,000 00
Equipment Trust, Series K, 4% Certificates maturing \$150,000 semi-annually to September 1, 1917 . . .					750,000 00
Equipment Trust, Series L, 4½% Certificates maturing \$200,000 semi-annually to October 1, 1919 . . .					1,800,000 00
Equipment Trust, Series M, 4½% Certificates maturing \$200,000 annually to March 1, 1923 . . .					1,600,000 00
Total Funded Debt, per balance sheet					\$94,840,669 18

Details of the several above mortgages will be found on pages 53 to 57.

RENTALS OF LEASED ROADS AND GUARANTIES, YEAR ENDED JUNE 30, 1915

GUARANTIES	PRINCIPAL	DATE OF MATURITY	INTEREST		
			Rate	Payable	Accrued during the year
Lehigh Valley Terminal Ry. Co.:— First Mortgage Bonds	\$10,000,000	Oct. 1, 1941	5%	April and Oct.	\$500,000 00
Easton and Amboy R. R. Co.:— First Mortgage Bonds	6,000,000	May 1, 1920	5%	May and Nov.	300,000 00
Easton and Northern R. R. Co.:— First Mortgage Bonds	51,000	Nov. 1, 1935	4½%	May and Nov.	2,295 00
Penna. and New York Canal and R.R.Co.:— Consolidated Mortgage Bonds	4,000,000	April 1, 1939	5%	April and Oct.	200,000 00
Consolidated Mortgage Bonds	1,500,000	"	4½%	"	67,500 00
Consolidated Mortgage Bonds	3,000,000	"	4%	"	120,000 00
Lehigh and New York R. R. Co.:— First Mortgage Bonds	2,000,000	Sept. 1, 1945	4%	March and Sept.	80,000 00
The Lehigh Valley Rail Way Co.:— First Mortgage Bonds	15,000,000	July 1, 1940	4½%	Jan. and July	675,000 00
Middlesex Valley R. R. Co.:— First Mortgage Bonds	200,000	Nov. 1, 1942	5%	May and Nov.	10,000 00
The Lehigh and Lake Erie R. R. Co.:— First Mortgage Bonds	3,000,000	March 1, 1957	4½%	March and Sept.	135,000 00
Total	\$44,751,000				\$2,089,795 00
RENTALS					
State Line and Sullivan R. R. Co.					40,000 00
Raritan Terminal and Transportation Co					2,000 00
Total rent for leased roads					\$2,131,795 00

Details of the several above mortgages will be found on pages 53 to 57.

Lehigh Valley Railroad Company

STATEMENT OF SECURITIES OWNED—NOT PLEDGED

IN TREASURY

PAR VALUE

BONDS

Lehigh Valley Railroad Co., General Consolidated Mortgage (4%)	\$13,000,000 00
Lehigh Valley Railroad Co., Collateral Trust	1,123,000 00
Consolidated Real Estate Co., First Mortgage	2,600,000 00
Easton and Northern Railroad Co., First Mortgage	249,000 00
Greenville and Hudson Railway Co., First Mortgage	350,000 00
Irvington Railroad Co., First Mortgage	125,000 00
Lehigh and Hudson River Railway Co., Debentures	34,000 00
Middlesex Valley Railroad Co., First Mortgage	400,000 00
Montrose Railroad Co., First Mortgage	100,000 00
Montrose Railroad Co., Debentures	12,000 00
Morris Canal and Banking Co., First Mortgage	500,000 00
Rochester Southern Railroad Co., First Mortgage	425,000 00
Schuylkill and Lehigh Valley Railroad Co., First Mortgage	2,000,000 00
Seneca County Railway, First Mortgage	500,000 00
Wyoming Valley Water Supply Co., First Mortgage	1,308,000 00
Total	\$22,726,000 00

EQUIPMENT TRUST CERTIFICATES

Lehigh Valley Railroad Company, Series I	\$800,000 00
Lehigh Valley Railroad Company, Series K	750,000 00
Lehigh Valley Railroad Company, Series L	1,800,000 00
Lehigh Valley Railroad Company, Series M	1,600,000 00
Total	\$4,950,000 00

STOCKS

Bay Shore Connecting Railroad Co.	\$20,000 00
Buffalo Creek Railroad Co.	125,000 00
Consolidated Real Estate Co.	5,000 00
Fair Land Realty Co.	2,500 00
Highland Coal Co.	120,000 00
Lehigh-Buffalo Terminal Railway Corporation	1,000 00
Lehigh and Hudson River Railway Co.	163,100 00
Montrose Railroad Co.	100,000 00
Morris Canal and Banking Co., Consolidated	992,100 00
Morris Canal and Banking Co., Preferred	1,139,900 00
Morris Canal and Banking Co., Preferred Dividend Scrip	47,237 50
Packer Coal Co.	3,800 00
Philadelphia Bourse, Common	1,500 00
Philadelphia Bourse, Preferred	575 00
Philadelphia Grain Elevator Co.	205,000 00
Philadelphia Harbor Transfer	40,000 00
Pioneer Real Estate Co.	2,500 00
Temple Iron Co.	57,090 00
United Real Estate Co.	1,000 00
Weatherly Water Co.	8,000 00
Wyoming Valley Water Supply Co.	100,000 00
Total	\$3,135,302 50

Lehigh Valley Railroad Company

STATEMENT OF SECURITIES OWNED—PLEDGED

UNDER GENERAL CONSOLIDATED MORTGAGE		PAR VALUE
BONDS		
Easton and Northern Railroad Co., Debentures		\$23,000 00
Lehigh Valley Coal Co., Debentures		7,500,000 00
Lehigh Valley Railroad Co. of New Jersey, Debentures		2,725,000 00
Lehigh Valley Rail Way Co., Debentures		5,543,000 00
Lehigh Valley Transportation Co., Debentures		730,000 00
Loyalsock Railroad Co., Debentures		35,000 00
National Storage Co., Debentures		755,000 00
Pennsylvania and New York Canal and Railroad Co., Debentures		1,195,000 00
Schuylkill and Lehigh Valley Railroad Co., Debentures		6,000 00
Total		\$18,512,000 00
STOCKS		
Easton and Northern Railroad Co.		\$565,000 00
Lehigh and New York Railroad Co., Preferred		2,271,350 00
Lehigh Valley Coal Co.		1,965,000 00
Lehigh Valley Railroad Co. of New Jersey		12,506,000 00
Lehigh Valley Rail Way Co.		11,745,000 00
Lehigh Valley Transportation Co.		1,510,000 00
Loyalsock Railroad Co.		825,000 00
National Storage Co.		2,400,000 00
New York and Middle Coal Field Railroad and Coal Co.		1,216,325 00
Pennsylvania and New York Canal and Railroad Co.		1,511,550 00
Schuylkill and Lehigh Valley Railroad Co.		2,000,000 00
Total		\$38,515,225 00
UNDER COLLATERAL TRUST AGREEMENT		
STOCKS		
Coxe Brothers & Company, Incorporated		\$2,910,150 00
Delaware, Susquehanna and Schuylkill Rail Road Co.		1,500,000 00
Total		\$4,410,150 00
UNDER TRUST AGREEMENT		
STOCK		
Mutual Terminal Co. of Buffalo		\$15,000 00
SUMMARY		
Not pledged		\$30,811,302 50
Pledged		61,452,375 00
Total		\$92,263,677 50

Lehigh Valley Railroad Company

MONTHLY OPERATING REVENUES AND EXPENSES FOR THE YEAR ENDED JUNE

		OPERATING REVENUES					
		COAL FREIGHT	MERCHANDISE FREIGHT	PASSENGER	MAIL AND EXPRESS	MISCELLANEOUS	TOTAL
July,	1914	\$1,554,593 76	\$1,294,921 55	\$457,342 13	\$50,705 54	\$224,518 02	\$3,582,081 00
August,	"	1,616,052 05	1,341,678 25	503,570 76	48,461 60	260,584 31	3,770,346 97
September	"	1,866,208 03	1,336,962 81	411,586 17	53,235 86	247,834 45	3,915,827 32
October,	"	2,002,745 32	1,458,391 62	326,809 80	62,062 72	260,493 38	4,110,502 84
November,	"	1,691,788 33	1,277,151 22	307,036 32	47,265 05	204,153 68	3,527,394 60
December,	"	1,473,166 18	1,185,235 87	303,683 69	57,774 51	191,014 13	3,210,874 38
January,	1915	1,371,598 38	1,141,798 02	262,388 46	52,246 21	175,684 33	3,003,715 40
February,	"	1,240,896 42	1,230,875 09	235,120 33	47,553 38	155,857 00	2,910,302 22
March,	"	1,296,407 76	1,424,599 57	262,237 07	56,326 08	192,958 92	3,232,529 40
April,	"	1,849,724 92	1,398,429 05	280,235 48	56,411 59	197,469 11	3,782,270 15
May,	"	1,775,880 27	1,431,569 26	323,899 68	51,993 12	261,927 21	3,845,269 54
June,	"	1,456,694 08	1,483,889 14	369,889 11	60,711 97	263,663 90	3,634,848 20
Total, year ended June 30, 1915 .		\$19,195,755 50	\$16,005,501 45	\$4,043,799 00	\$644,747 63	\$2,636,158 44	\$42,525,962 02
Total, year ended June 30, 1914 .		18,528,246 44	15,541,885 90	4,795,147 44	639,024 62	2,666,342 38	42,170,646 78
Increase		\$667,509 06	\$463,615 55	. . . . .	\$5,723 01	. . . . .	\$355,315 24
Decrease . . . . .		. . . . .	. . . . .	\$751,348 44	. . . . .	\$30,183 94	. . . . .
Increase, per cent.		3.60	2.98	. . . . .	.90	. . . . .	.84
Decrease, " . . . . .		. . . . .	. . . . .	15.67	. . . . .	1.13	. . . . .

Lehigh Valley Railroad Company

30, 1915, COMPARED WITH TOTALS FOR THE YEAR ENDED JUNE 30, 1914

OPERATING EXPENSES					NET OPERATING REVENUE
MAINTENANCE OF WAY AND STRUCTURES	MAINTENANCE OF EQUIPMENT	TRAFFIC AND TRANSPORTATION EXPENSES	GENERAL EXPENSES	TOTAL	
\$422,089 15	\$722,426 80	\$1,311,150 44	\$71,007 68	\$2,526,674 07	\$1,055,406 93
395,738 55	728,897 92	1,295,122 96	66,665 81	2,486,425 24	1,283,921 73
397,712 09	843,037 55	1,354,502 93	69,688 71	2,664,941 28	1,250,886 04
430,366 20	799,763 94	1,420,159 56	66,977 55	2,717,267 25	1,393,235 59
395,924 12	676,358 88	1,424,520 60	66,317 07	2,563,120 67	964,273 93
392,037 48	626,042 71	1,481,767 90	88,214 61	2,588,062 70	622,811 68
322,159 49	569,411 82	1,419,987 11	78,543 75	2,390,102 17	613,613 23
309,662 77	618,468 70	1,291,273 91	70,503 78	2,289,909 16	620,393 06
289,795 72	621,874 89	1,334,266 48	83,515 11	2,329,452 20	903,077 20
307,754 77	641,675 98	1,366,139 49	73,247 85	2,388,818 09	1,393,452 06
455,012 08	600,864 48	1,354,918 81	71,841 44	2,482,636 81	1,362,632 73
365,672 30	758,667 51	1,288,206 72	107,431 37	2,519,977 90	1,114,870 30
\$4,483,924 72	\$8,207,491 18	\$16,342,016 91	\$913,954 73	\$29,947,387 54	\$12,578,574 48
4,674,725 37	7,669,793 05	16,844,652 92	898,733 86	30,087,905 20	12,082,741 58
.....	\$537,698 13	.....	\$15,220 87	.....	\$495,832 90
\$190,800 65	.....	\$502,636 01	.....	\$140,517 66	.....
.....	7.01	.....	1.69	.....	4.10
4.08	.....	2.98	.....	47	.....

Lehigh Valley Railroad Company

CLASSIFICATION OF OPERATING EXPENSES

ACCOUNT	1915	1914	INCREASE	DECREASE
MAINTENANCE OF WAY AND STRUCTURES:—				
Superintendence	\$231,713 21	\$235,897 86		\$4,184 65
Roadway maintenance	315,613 30	382,122 16		66,508 86
Tunnels and subways	8,273 03	6,900 71	\$1,372 32	
Bridges, trestles and culverts	247,142 08	286,563 59		39,421 51
Ties	982,312 56	829,902 66	152,409 90	
Rails	479,901 01	309,751 41	170,149 60	
Other track material	174,533 25	197,921 72		23,388 47
Ballast	72,444 80	72,644 71		199 91
Track laying and surfacing	913,528 53	957,209 25		43,680 72
Right of way fences	10,665 20	14,316 80		3,651 60
Snow and sand fences and snowsheds	1,613 03	4,255 97		2,642 94
Crossings and signs	47,191 73	51,385 63		4,193 90
Station and office buildings	154,553 35	199,277 14		44,723 79
Roadway buildings	11,808 69	12,848 07		1,039 38
Water stations	55,884 59	61,157 20		5,272 61
Fuel stations	21,850 91	20,551 85	1,299 06	
Shops and enginehouses	81,541 15	162,639 16		81,098 01
Grain elevators	914 16	1,413 53		499 37
Wharves and docks	73,576 23	114,450 99		40,874 76
Coal and ore wharves	18,682 91	49,040 03		30,357 12
Gas producing plants	31 40	25 59	5 81	
Telegraph and telephone lines	81,416 67	95,876 99		14,460 32
Signals and interlockers	278,421 30	338,403 34		59,982 04
Miscellaneous structures	719 68	5,061 84		4,342 16
Paving	99 50	587 82		488 32
Roadway machines	19,563 74	7,533 23	12,030 51	
Small tools and supplies	30,996 93	39,632 72		8,635 79
Removing snow, ice and sand	45,466 76	80,762 70		35,295 94
Assessments for public improvements	2,222 14	11,957 21		9,735 07
Injuries to persons	13,496 36	10,464 29	3,032 07	
Insurance	20,948 90	22,344 51		1,395 61
Stationery and printing	6,317 11	7,106 88		789 77
Other expenses	48,115 44	45,297 98	2,817 46	
Maintenance, joint tracks, yards and other facilities—Dr.	77,146 63	80,181 43		3,034 80
Maintenance, joint tracks, yards and other facilities—Cr.	*44,781 56	*40,761 60		4,019 96
Total maintenance of way and structures	\$4,483,924 72	\$4,674,725 37		\$190,800 65

* Credit.

Lehigh Valley Railroad Company

FOR THE YEARS ENDED JUNE 30, 1915 AND 1914

ACCOUNT	1915	1914	INCREASE	DECREASE
MAINTENANCE OF EQUIPMENT:—				
Superintendence	\$157,739 56	\$154,114 25	\$3,625 31	. . . . .
Shop machinery	113,836 66	105,279 37	8,557 29	. . . . .
Steam locomotives—Repairs	2,631,602 87	2,280,449 94	351,152 93	. . . . .
Steam locomotives—Depreciation	331,097 10	321,799 25	9,297 85	. . . . .
Steam locomotives—Retirements	38,313 88	18,879 23	19,434 65	. . . . .
Freight train cars—Repairs	2,635,884 54	2,521,583 99	114,300 55	. . . . .
Freight train cars—Depreciation	856,285 39	825,199 07	31,086 32	. . . . .
Freight train cars—Retirements	179,375 61	307,336 12	. . . . .	\$127,960 51
Passenger train cars—Repairs	327,920 10	339,614 67	. . . . .	11,694 57
Passenger train cars—Depreciation	83,053 93	65,733 67	17,320 26	. . . . .
Passenger train cars—Retirements	22,822 13	4,727 90	18,094 23	. . . . .
Floating equipment—Repairs	412,929 93	345,255 07	67,674 86	. . . . .
Floating equipment—Depreciation	134,582 58	129,048 50	5,534 08	. . . . .
Floating equipment—Retirements	12,988 68	2,286 03	10,702 65	. . . . .
Work equipment—Repairs	43,156 57	46,100 28	. . . . .	2,943 71
Work equipment—Depreciation	21,812 06	21,477 99	334 07	. . . . .
Work equipment—Retirements	38,035 84	11,432 83	26,603 01	. . . . .
Injuries to persons	12,483 22	15,489 81	. . . . .	3,006 59
Insurance	142,689 07	142,505 91	183 16	. . . . .
Stationery and printing	10,590 71	11,477 97	. . . . .	887 26
Other expenses	290 75	1 20	289 55	. . . . .
Total maintenance of equipment	\$8,207,491 18	\$7,669,793 05	\$537,698 13	. . . . .
TRAFFIC EXPENSES:—				
Superintendence	\$227,197 54	\$181,340 71	\$45,856 83	. . . . .
Outside agencies	485,151 45	549,173 71	. . . . .	\$64,022 26
Advertising	56,449 49	108,885 97	. . . . .	52,436 48
Traffic associations	16,388 78	22,090 54	. . . . .	5,701 76
Fast freight lines	75,402 77	77,103 03	. . . . .	1,700 26
Industrial and immigration bureaus	11,459 15	17,018 99	. . . . .	5,559 84
Insurance	434 05	36 10	397 95	. . . . .
Stationery and printing	87,346 85	84,945 10	2,401 75	. . . . .
Total traffic expenses	\$959,830 08	\$1,040,594 15	. . . . .	\$80,764 07

CLASSIFICATION OF OPERATING EXPENSES

ACCOUNT	1915	1914	INCREASE	DECREASE
TRANSPORTATION EXPENSES:—				
Superintendence	\$381,055 79	\$366,538 98	\$14,516 81	. . . . .
Despatching trains	101,227 65	112,808 39	. . . . .	\$11,580 74
Station employes	1,677,893 78	1,677,496 12	397 66	. . . . .
Weighing, inspection, and demurrage bureaus	7,841 79	28,293 22	. . . . .	20,451 43
Coal and ore wharves	153,445 31	181,376 66	. . . . .	27,931 35
Station supplies and expenses	138,366 84	151,365 41	. . . . .	12,998 57
Yard masters and yard clerks	275,654 96	270,669 19	4,985 77	. . . . .
Yard conductors and brakemen	994,225 76	990,512 71	3,713 05	. . . . .
Yard switch and signal tenders	82,054 92	76,766 68	5,288 24	. . . . .
Yard enginemen	580,193 49	579,383 34	810 15	. . . . .
Fuel for yard locomotives	491,445 47	492,580 67	. . . . .	1,135 20
Water for yard locomotives	25,799 84	25,964 00	. . . . .	164 16
Lubricants for yard locomotives	4,245 92	5,108 81	. . . . .	862 89
Other supplies for yard locomotives	7,980 01	9,069 33	. . . . .	1,089 32
Enginehouse expenses—Yard	123,169 40	130,312 22	. . . . .	7,142 82
Yard supplies and expenses	20,851 58	20,297 26	554 32	. . . . .
Operating joint yards and terminals—Dr.	88,162 69	88,824 87	. . . . .	662 18
Operating joint yards and terminals—Cr.	*35,960 47	*36,596 88	636 41	. . . . .
Train enginemen	1,746,522 70	1,836,839 40	. . . . .	90,316 70
Fuel for train locomotives	3,052,851 06	3,129,152 58	. . . . .	76,301 52
Water for train locomotives	121,516 69	133,607 41	. . . . .	12,090 72
Lubricants for train locomotives	41,683 61	41,674 04	9 57	. . . . .
Other supplies for train locomotives	45,252 60	48,010 34	. . . . .	2,757 74
Enginehouse expenses—Train	446,614 86	442,831 60	3,783 26	. . . . .
Trainmen	2,021,184 01	1,993,750 51	27,433 50	. . . . .
Train supplies and expenses	357,226 96	385,713 80	. . . . .	28,486 84
Signal and interlocker operation	214,810 03	210,649 34	4,160 69	. . . . .
Crossing protection	75,052 42	76,308 18	. . . . .	1,255 76
Draw bridge operation	5,003 96	5,165 83	. . . . .	161 87
Telegraph and telephone operation	101,746 58	107,403 74	. . . . .	5,657 16
Amounts carried forward	\$13,347,120 21	\$13,581,877 75	. . . . .	\$234,757 54

* Credit.

FOR THE YEARS ENDED JUNE 30, 1915 AND 1914—Continued

ACCOUNT	1915	1914	INCREASE	DECREASE
TRANSPORTATION EXPENSES—Continued:—				
Amounts brought forward	\$13,347,120 21	\$13,581,877 75		\$234,757 54
Operating floating equipment	521,886 41	497,591 25	\$24,295 16	
Stationery and printing	84,790 37	93,002 51		8,212 14
Other expenses	10,088 71	9,529 79	558 92	
Operating joint tracks and facilities—Dr.	63,309 60	56,889 04	6,420 56	
Operating joint tracks and facilities—Cr.	*15,958 57	*15,936 35		22 22
Insurance	44,157 34	42,170 09	1,987 25	
Clearing wrecks	54,058 95	70,279 38		16,220 43
Damage to property	32,730 16	37,863 43		5,133 27
Damage to live stock on right of way . .	3,769 74	2,514 57	1,255 17	
Loss and damage—Freight	288,769 54	352,644 62		63,875 08
Loss and damage—Baggage	961 84	2,371 85		1,410 01
Injuries to persons	177,397 46	224,226 34		46,828 88
Transportation—Water lines	637,446 42	676,936 41		39,489 99
Miscellaneous operations	141,507 78	172,098 09		30,590 31
Transportation for investment—Cr. . . .	*9,849 13			9,849 13
Total transportation expenses	\$15,382,186 83	\$15,804,058 77		\$421,871 94
GENERAL EXPENSES:—				
Salaries and expenses of general officers. .	\$158,212 58	\$149,914 05	\$8,298 53	
Salaries and expenses of clerks and attend- ants	383,953 23	378,667 76	5,285 47	
General office supplies and expenses . . .	25,327 87	28,674 62		\$3,346 75
Law expenses	184,671 58	116,698 48	67,973 10	
Insurance	815 88	131 04	684 84	
Relief department expenses	59,989 38	59,677 13	312 25	
Pensions	6,936 96	7,401 46		464 50
Stationery and printing	28,773 92	51,074 63		22,300 71
Valuation expenses	26,033 98	65,777 72		39,743 74
Other expenses	39,239 35	40,716 97		1,477 62
Total general expenses	\$913,954 73	\$898,733 86	\$15,220 87	
TOTAL OPERATING EXPENSES	\$29,947,387 54	\$30,087,905 20		\$140,517 66

* Credit.

Lehigh Valley Railroad Company

STATEMENT OF OPERATING REVENUES AND EXPENSES FOR TEN YEARS,
1906 TO 1915 INCLUSIVE

OPERATING REVENUES

YEARS ENDED JUNE 30	COAL FREIGHT	MERCHANDISE FREIGHT	PASSENGER	MAIL AND EXPRESS	MISCELLANEOUS	TOTAL OPERATING REVENUES	NET OPERATING REVENUE
1906 . .	\$13,248,565 42	\$13,934,127 10	\$3,971,392 05	\$585,452 24	\$1,050,319 82	\$32,789,856 63	\$12,637,645 91
1907 . .	15,270,213 84	14,864,262 21	4,326,118 87	591,745 99	469,105 81	35,521,446 72	13,554,116 09
1908 . .	16,175,279 94	14,011,301 78	4,159,890 47	592,630 94	571,051 09	35,510,154 22	13,198,117 73
1909 . .	14,831,670 78	13,291,830 90	3,905,062 74	616,124 73	493,143 06	33,137,832 21	12,562,095 91
1910 . .	15,821,797 62	14,757,799 34	4,330,172 45	656,297 45	601,331 31	36,167,398 17	14,483,250 94
1911 . .	17,155,534 15	14,687,291 27	4,568,029 75	644,579 91	631,967 91	37,687,402 99	14,280,084 63
1912 . .	16,301,316 24	14,591,239 56	4,703,733 52	663,660 96	645,984 93	36,905,935 21	12,185,685 40
1913 . .	20,385,389 09	16,339,748 97	4,867,554 03	698,012 22	752,667 58	43,043,371 89	13,935,552 32
1914 . .	18,528,246 44	15,541,885 90	4,795,147 44	639,024 62	2,666,342 38	42,170,646 78	12,082,741 58
1915 . .	19,195,755 50	16,005,501 45	4,043,799 00	644,747 63	2,636,158 44	42,525,962 02	12,578,574 48

The ratio of each class of operating revenues to total operating revenues is as follows:—

	1906	1907	1908	1909	1910	1911	1912	1913	1914	1915
	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.
Coal freight	40.40	42.99	45.55	44.76	43.75	45.52	44.17	47.36	43.94	45.14
Merchandise freight	42.50	41.84	39.46	40.11	40.80	38.97	39.54	37.96	36.85	37.64
Passenger	12.11	12.18	11.71	11.78	11.97	12.12	12.74	11.31	11.37	9.51
Mail and express	1.79	1.67	1.67	1.86	1.82	1.71	1.80	1.62	1.52	1.51
Miscellaneous	3.20	1.32	1.61	1.49	1.66	1.68	1.75	1.75	6.32	6.20

OPERATING EXPENSES

YEARS ENDED JUNE 30	MAINTENANCE OF WAY AND STRUCTURES	MAINTENANCE OF EQUIPMENT	TRAFFIC AND TRANSPORTATION EXPENSES	GENERAL EXPENSES	TOTAL OPERATING EXPENSES	RATIO OF TOTAL EX- PENSES TO REVENUES
1906	\$3,153,245 22	\$5,485,794 06	\$10,891,953 73	\$621,217 71	\$20,152,210 72	Per Cent.
1907	3,344,181 89	6,186,873 82	11,920,347 57	515,927 35	21,967,330 63	61.46
1908	3,398,642 07	6,153,874 30	12,121,580 08	637,940 04	22,312,036 49	61.84
1909	3,273,339 47	5,832,430 15	10,760,202 59	709,764 09	20,575,736 30	62.83
1910	3,462,903 41	5,995,810 09	11,512,285 21	713,148 52	21,684,147 23	62.09
1911	3,620,176 26	6,003,286 95	12,989,953 65	793,901 50	23,407,318 36	59.95
1912	3,963,589 12	6,313,316 76	13,587,078 40	856,265 53	24,720,249 81	62.11
1913	5,694,422 24	7,561,270 87	14,976,475 01	875,651 45	29,107,819 57	66.98
1914	4,674,725 37	7,669,793 05	16,844,652 92	898,733 86	30,087,905 20	67.62
1915	4,483,924 72	8,207,491 18	16,342,016 91	913,954 73	29,947,387 54	71.35
						70.42

The ratio of each class of operating expenses to total operating revenues is as follows:—

	1906	1907	1908	1909	1910	1911	1912	1913	1914	1915
	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.	Per Cent.
Maintenance of way and structures	9.62	9.41	9.57	9.88	9.57	9.61	10.74	13.23	11.09	10.54
Maintenance of equipment	16.73	17.42	17.33	17.60	16.58	15.93	17.11	17.57	18.19	19.30
Traffic and transportation expenses	33.22	33.56	34.13	32.47	31.83	34.47	36.81	34.79	*39.94	*38.43
General expenses	1.89	1.45	1.80	2.14	1.97	2.10	2.32	2.03	2.13	2.15

* The percentage of Transportation Expenses is increased 2.01 per cent. for 1914 and 1.81 per cent. for 1915 as result of including expenses of water lines, etc., as required by the Interstate Commerce Commission.

**ENGINE, TRAIN, AND CAR STATISTICS FOR THE YEARS ENDED
JUNE 30, 1915 AND 1914**

	1915	1914	PERCENTAGE OF INCREASE OR DECREASE
TRAIN AND ENGINE MILEAGE			
Miles run by passenger trains (including milk and express) . . .	4,967,000	5,111,320	Dec. 2.82
Miles run by freight trains	8,580,867	8,336,572	Inc. 2.93
Total revenue train miles	13,547,867	13,447,892	Inc. .74
Miles run by work trains	323,449	588,886	Dec. 45.07
Miles run by special trains	50,711	68,375	Dec. 25.83
Total train mileage	13,922,027	14,105,153	Dec. 1.30
Miles run by yard switching engines	5,531,853	5,363,811	Inc. 3.13
Miles run by engines in helping service	1,317,037	1,195,254	Inc. 10.19
Miles run by engines in light service	1,555,829	1,585,383	Dec. 1.86
Total engine mileage	22,326,746	22,249,601	Inc. .35
CAR STATISTICS			
Mileage of loaded freight cars	215,077,914	210,806,322	Inc. 2.03
Mileage of empty freight cars	118,175,361	107,771,064	Inc. 9.65
Mileage of caboose cars	8,605,112	8,377,947	Inc. 2.71
Total mileage of freight train cars	341,858,387	326,955,333	Inc. 4.56
Mileage of passenger cars, including Pullman cars	13,882,393	14,670,586	Dec. 5.37
Mileage of baggage, mail, milk, express, and dining cars . . .	16,923,954	15,758,187	Inc. 7.40
Total mileage of passenger train cars	30,806,347	30,428,773	Inc. 1.24
Mileage of work cars	2,429,594	2,176,617	Inc. 11.62
Mileage of special train cars	81,125	81,653	Dec. .65
Total mileage of non-revenue cars	2,510,719	2,258,270	Inc. 11.18
Total mileage of all cars	375,175,453	359,642,376	Inc. 4.32
Average number of loaded freight cars in train	25.07	25.29	Dec. .87
Average number of empty freight cars in train	14.77	13.93	Inc. 6.03
Average number of cars in each freight train	39.84	39.22	Inc. 1.58
*Percentage of loaded cars in each freight train	62.93	64.48	Dec. 2.40
Average miles run per freight car per day (including foreign) . .	19.39	19.98	Dec. 2.95
Average daily mileage of foreign freight cars on lines of Lehigh Valley System	33.16	29.62	Inc. 11.95
Average number of passenger cars in train	2.79	2.87	Dec. 2.79
Average number of baggage, mail, milk, express, and dining cars in train	3.41	3.08	Inc. 10.71
Average number of cars in each passenger train	6.20	5.95	Inc. 4.20
Average miles run per passenger car per day	99.16	110.84	Dec. 10.54

* Caboose considered as empty mileage.

1915

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Lehigh Valley Railroad Company

STATISTICS OF OPERATING REVENUES AND EXPENSES

REVENUES, EXPENSES, AND NET REVENUE	1915	1914	INCREASE		DECREASE	
			Amount	Per cent.	Amount	Per cent.
Average miles of road operated	1,443.52	1,439.99	3.53	.25		
Total revenue train miles	13,547,867	13,447,892	99,975	.74		
Freight and passenger revenue	\$39,245,055 95	\$38,865,279 78	\$379,776 17	.98		
Freight and passenger revenue per mile of road	27,187 05	26,989 97	197 08	.73		
Operating revenues	42,525,962 02	42,170,646 78	355,315 24	.84		
Operating revenues per mile of road	29,459 90	29,285 37	174 53	.60		
Operating revenues per revenue train mile	3.139	3.135	.004	.13		
Operating expenses	29,947,387 54	30,087,905 20			\$140,517 66	.47
Operating expenses per mile of road	20,746 08	20,894 52			148 44	.71
Operating expenses per revenue train mile	2.211	2.237			.026	1.16
Net operating revenue	12,578,574 48	12,082,741 58	495,832 90	4.10		
Net operating revenue per mile of road	8,713 82	8,390 85	322 97	3.85		
Net operating revenue per revenue train mile . . . . .	.928	.898	.030	3.34		
PASSENGER						
Passenger revenue	\$4,043,799 00	\$4,795,147 44			\$751,348 44	15.67
Passenger train revenue	5,490,622 08	6,193,269 81			702,647 73	11.35
Number of passengers carried	5,206,972	5,729,042			522,070	9.11
Number of passengers carried one mile	215,666,868	265,337,930			49,671,062	18.72
Average distance each passenger carried	41.42 miles	46.31 miles			4.89 miles	10.56
Average number of passengers one mile per mile of road	149,403	184,264			34,861	18.92
Average revenue per passenger	77.66 cents	83.70 cents			6.04 cents	7.22
Average revenue per passenger per mile	1.875 cents	1.807 cents	.068 cent	3.76		
Passenger train mileage	4,170,202	4,395,359			225,157	5.12
Passenger train mileage (including milk and express)	4,967,000	5,111,320			144,320	2.82
Passenger revenue per mile of road	\$2,801 35	\$3,329 99			\$528 64	15.88
Passenger revenue per train mile	96.97 cents	109.10 cents			12.13 cents	11.12
Passenger train revenue per mile of road	\$3,803 63	\$4,300 91			\$497 28	11.56
Passenger train revenue per train mile	110.54 cents	121.17 cents			10.63 cents	8.77
Average number of passengers in each train	51.72	60.37			8.65	14.33

Lehigh Valley Railroad Company

FOR THE YEARS ENDED JUNE 30, 1915 AND 1914

	1915	1914	INCREASE		DECREASE	
			Amount	Per cent.	Amount	Per cent.
PASSENGER—(Continued)						
Passenger car mileage	13,882,393	14,670,586	. . . . .	. . .	788,193	5.37
Baggage, mail, milk, express, and dining car mileage	16,923,954	15,758,187	1,165,767	7.40	. . . . .	. . .
Total mileage of passenger train cars	30,806,347	30,428,773	377,574	1.24	. . . . .	. . .
Average number of passengers in each passenger car	15.54	18.09	. . . . .	. . .	2.55	14.10
Average number of passenger cars in train. .	2.79	2.87	. . . . .	. . .	.08	2.79
Average number of baggage, mail, milk, express, and dining cars in train	3.41	3.08	.33	10.71	. . . . .	. . .
Average number of cars in each passenger train	6.20	5.95	.25	4.20	. . . . .	. . .
FREIGHT						
Freight revenue	\$35,201,256 95	\$34,070,132 34	\$1,131,124 61	3.32	. . . . .	. . .
EXCLUDING COMPANY'S SUPPLIES						
Number of tons carried	30,268,701	29,773,280	495,421	1.66	. . . . .	. . .
Number of tons carried one mile.	5,326,328,902	5,186,200,566	140,128,336	2.70	. . . . .	. . .
Average distance carried	175.97 miles	174.19 miles	1.78 miles	1.02	. . . . .	. . .
Average number of tons carried one mile per mile of road	3,689,820	3,601,553	88,267	2.45	. . . . .	. . .
Average revenue per ton	116.30 cents	114.43 cents	1.87 cents	1.63	. . . . .	. . .
Average revenue per ton per mile . . . . .	.661 cent	.657 cent	.004 cent	.61	. . . . .	. . .
Freight train mileage	8,580,867	8,336,572	244,295	2.93	. . . . .	. . .
Freight revenue per mile of road	\$24,385 71	\$23,659 98	\$725 73	3.07	. . . . .	. . .
Freight revenue per train mile	\$4.10	\$4.09	\$0.01	.24	. . . . .	. . .
Average number of tons in each train. . . .	620.72	622.10	. . . . .	. . .	1.38	.22
Average number of tons in each loaded car .	24.76	24.60	.16	.65	. . . . .	. . .
INCLUDING COMPANY'S SUPPLIES						
Number of tons carried	33,342,361	32,909,035	433,326	1.32	. . . . .	. . .
Number of tons carried one mile	5,522,815,281	5,378,662,268	144,153,013	2.68	. . . . .	. . .
Average distance carried	165.64 miles	163.44 miles	2.20 miles	1.35	. . . . .	. . .
Average number of tons in each train . . .	643.62	645.19	. . . . .	. . .	1.57	.24
Average number of tons in each loaded car .	25.68	25.51	.17	.67	. . . . .	. . .

Lehigh Valley Railroad Company

PERFORMANCE OF LOCOMOTIVES

	1915	1914	INCREASE	DECREASE
LOCOMOTIVE MILEAGE				
Passenger	4,170,202	4,395,359		225,157
Freight	8,580,867	8,336,572	244,295	
Milk	436,763	376,464	60,299	
Express	360,035	339,497	20,538	
Special	50,711	68,375		17,664
Helping, freight	1,182,633	1,061,933	120,700	
Helping, passenger	134,404	133,321	1,083	
Light	1,555,829	1,585,383		29,554
Switching	5,531,853	5,363,811	168,042	
Total (excluding work)	22,003,297	21,660,715	342,582	
Work	323,449	588,886		265,437
Total	22,326,746	22,249,601	77,145	
Average passenger	50,513	54,717		4,204
Average freight	30,319	28,729	1,590	
Average switching and other	29,131	28,212	919	
Average all services	33,175	32,434	741	
Percentage of passenger helping	2.48	2.38	.10	
Percentage of freight helping	10.69	9.91	.78	
Greatest mileage made by an engine in passenger service	93,942	100,189		6,247
Greatest mileage made by engine in freight service	42,269	52,578		10,309
CAR MILEAGE				
Passenger, milk, express and special	30,887,472	30,510,426	377,046	
Freight, loaded	215,077,914	210,806,322	4,271,592	
Freight, empty	118,175,361	107,771,064	10,404,297	
Work, loaded and empty	2,429,594	2,176,617	252,977	
Caboose	8,605,112	8,377,947	227,165	
Total	375,175,453	359,642,376	15,533,077	
Average cars per draft, passenger	6.2	5.9	.3	
*Average cars per draft, freight (loaded basis)	32.5	32.3	.2	

* Two empty freight cars equaling one loaded; caboose mileage considered as empty mileage.

FOR THE YEARS ENDED JUNE 30, 1915 AND 1914

	1915	1914	INCREASE	DECREASE
FUEL COAL USED PER MILE	POUNDS	POUNDS	POUNDS	POUNDS
Passenger locomotive	130.3	129.4	.9	
Freight locomotive	250.1	257.3		7.2
Switching and other locomotive	111.2	108.3	2.9	
All services	184.7	187.8		3.1
Passenger car	22.8	27.1		4.3
Freight car	9.9	10.4		.5
OIL AND WASTE	MILES	MILES	MILES	MILES
Lubricating oil, locomotive miles per pint	20.49	18.51	1.98	
Cylinder oil, locomotive miles per pint	64.39	60.67	3.72	
Waste, locomotive miles per pound	110.92	78.70	32.22	
COST PER LOCOMOTIVE MILE	CENTS	CENTS	CENTS	CENTS
Fuel	16.14	16.70		.56
Oil and waste . . . . .	.21	.21		
Other supplies . . . . .	.24	.26		.02
Water supply . . . . .	.67	.74		.07
Enginemen and firemen	10.58	11.12		.54
Enginehouse expenses	2.60	2.64		.04
Repairs (excluding renewals)	11.77	10.24	1.53	
Total	42.21	41.91	.30	
Total, including renewals	42.38	41.99	.39	
COST PER CAR MILE	CENTS	CENTS	CENTS	CENTS
Fuel	1.15	1.20		.05
Oil and waste . . . . .	.01	.02		.01
Other supplies . . . . .	.02	.02		
Water supply . . . . .	.05	.05		
Enginemen and firemen . . . . .	.75	.80		.05
Enginehouse expenses . . . . .	.18	.19		.01
Repairs (excluding renewals)85	.76	.09	
Total	3.01	3.04		.03
Total, including renewals	3.02	3.05		.03

1915

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Lehigh Valley Railroad Company

CLASSIFICATION OF ADDITIONS AND BETTERMENTS FOR YEAR ENDED JUNE 30, 1915

Engineering	\$11,409 66
Land for transportation purposes	*1,608 81
Grading...	39,998 51
Bridges, trestles, and culverts	65,190 28
Ties	30,076 13
Rails	222,401 69
Other track material	232,036 08
Ballast	5,671 88
Track laying and surfacing	28,711 63
Right of way fences	1,072 42
Crossings and signs	29,345 71
Station and office buildings.	48,740 49
Roadway buildings	11,310 96
Water stations	30,483 51
Fuel stations	2,335 23
Shops and enginehouses	62,611 42
Grain elevators	1,882 54
Wharves and docks	779 95
Coal and ore wharves	450,366 27
Telegraph and telephone lines	4,491 65
Signals and interlockers	69,360 34
Power plant buildings	447 95
Roadway machines	4,032 46
Roadway small tools	18 99
Other expenditures—road	6,280 98
Shop machinery	42,779 14
Steam locomotives	351,238 20
Freight train cars	560,235 50
Passenger train cars	616,848 38
Work equipment	45,493 28
Total	\$2,974,042 42

* Credit

CLASSIFICATION OF TONNAGE FOR THE YEARS ENDED JUNE 30, 1915 AND 1914

COMMODITY	1915	1914	INCREASE	DECREASE
PRODUCTS OF AGRICULTURE:—				
Grain	1,362,588	1,129,122	233,466	
Flour	764,981	643,218	121,763	
Other mill products	302,230	261,107	41,123	
Hay	278,570	254,599	23,971	
Tobacco (unmanufactured)	6,509	6,103	406	
Cotton (unmanufactured)	46,073	39,314	6,759	
Fruits and vegetables	239,318	189,704	49,614	
Other agricultural products	105,276	123,437		18,161
PRODUCTS OF ANIMALS:—				
Live stock	113,203	133,535		20,332
Dressed meats	172,097	177,155		5,058
Other packing-house products	109,399	100,068	9,331	
Poultry, game and fish	16,123	15,858	265	
Wool	13,614	14,134		520
Hides and leather	52,058	46,519	5,539	
Other products of animals	92,796	89,365	3,431	
PRODUCTS OF MINES:—				
Ores	439,815	627,760		187,945
Stone, sand and other like articles	1,909,877	1,957,668		47,791
Anthracite coal (net tons)	14,602,519	13,564,929	1,037,590	
Bituminous coal and coke	2,292,411	2,900,019		607,608
PRODUCTS OF FOREST:—				
Lumber	571,337	562,244	9,093	
Bark	15,864	22,667		6,803
Other products of the forest	257,713	258,497		784
MANUFACTURES:—				
Petroleum and other oils	456,254	390,763	65,491	
Sugar and glucose	186,557	188,373		1,816
Iron—pig and bloom	330,779	393,725		62,946
Iron and steel rails	275,251	310,104		34,853
Castings and machinery	171,961	202,261		30,300
Bar and sheet metal	294,434	294,859		425
Cement, brick and lime	1,522,095	1,538,143		16,048
Agricultural implements	17,165	52,220		35,055
Wagons, carriages, tools, etc.	37,443	24,333	13,110	
Wines, liquors and beers	57,063	67,721		10,658
Household goods and furniture	25,986	38,689		12,703
Copper and lead—pig	330,616	288,671	41,945	
Salt	228,013	237,359		9,346
MISCELLANEOUS	2,570,713	2,629,037		58,324
Total revenue tonnage	30,268,701	29,773,280	495,421	

INVENTORY OF EQUIPMENT, JUNE 30, 1915

LOCOMOTIVES	945	ROAD SERVICE EQUIPMENT:—	
Tractive power (pounds)	30,234,824	Air-brake instruction.	1
		Air-dump.	100
PASSENGER CAR EQUIPMENT:—		Box	4
Passenger.	300	Business	3
Dining	10	Derrick	41
Café	2	Flat	37
Library buffet.	5	Gondola	91
Combined passenger and baggage	49	Grading	15
Combined baggage and mail	25	Hospital	1
Baggage and express.	125	Locomotive cranes.	30
Business	4	Pile driver	3
Postal	3	Pole	7
Milk.	116	Scale test.	3
Fruit.	4	Snow flangers.	18
Total	643	Snow plows.	10
		Spreader	4
		Steam shovels.	4
		Supply.	1
		Tool.	42
		Tunnel.	4
		Unloader.	1
		Motor.	1
		Tank	1
		Workmen's.	378
		Total	800
FREIGHT CAR EQUIPMENT:—		*FLOATING EQUIPMENT:—	
Box	20,088	Lake steamers.	6
Coal.	18,620	Tugs.	20
Gondola	3,719	Steam lighters.	4
Flat	141	Barges.	233
Produce	473	Car floats.	26
Refrigerator	1,319	Cattle boats	3
Stock	20	Hoisting boat.	1
Automobile.	298	Work boats.	4
Ice	287	Wrecking boat	1
Well.	3	Total	298
Gun and armor	5		
Set of gun and armor trucks	1		
Cabooses.	485		
Total	45,459		
Tons capacity.	1,693,578		

* Does not include Morris Canal and Banking Company's equipment.

MILEAGE OF TRACK OPERATED

	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
LEHIGH VALLEY RAILROAD COMPANY:						
Main Line—Phillipsburg, N. J., to Northampton St., Wilkes-Barre, Pa.	99.22	88.12	44.81	29.76	164.14	426.05
Main Line Branches	51.17	18.12	. . . .	. . . .	26.27	95.56
Mahanoy and Hazleton Division:						
Main Line—Penn Haven Junction, Pa., to Mount Carmel, Pa. (via Hazleton). . . .	52.34	46.07	. . . .	. . . .	67.04	165.45
Branches	114.15	33.77	. . . .	. . . .	65.56	213.48
Total	316.88	186.08	44.81	29.76	323.01	900.54
	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
CONTROLLED BY OWNERSHIP OF ENTIRE CAPITAL STOCK						
LEHIGH VALLEY RAILROAD COMPANY OF NEW JERSEY:						
Main Line—Jersey City, N. J., to Phillipsburg, N. J.	75.05	73.94	37.83	13.05	116.92	316.79
Branches	46.93	18.27	. . . .	. . . .	140.61	205.81
PENNSYLVANIA AND NEW YORK CANAL AND RAILROAD COMPANY:						
Main Line—Northampton St., Wilkes-Barre, Pa., to Pennsylvania State Line	96.56	96.56	4.80	2.03	180.24	380.19
Branches	40.52	1.57	. . . .	. . . .	39.29	81.38
THE LEHIGH VALLEY RAIL WAY COMPANY:						
Main Line—Pennsylvania State Line to Buffalo, N. Y.	175.16	175.16	12.07	. . . .	168.13	530.52
Branches	339.79	22.34	. . . .	. . . .	139.51	501.64
THE DELAWARE, SUSQUEHANNA AND SCHUYLKILL RAILROAD COMPANY:						
Main Line—Eckley, Pa., to Sheppton, Pa. . . .	19.15	. . . .	. . . .	. . . .	6.43	25.58
Branches	13.24	. . . .	. . . .	. . . .	10.53	23.77
EASTON AND NORTHERN RAILROAD COMPANY:						
Main Line—Easton, Pa., to Belfast, Pa.	11.08	. . . .	. . . .	. . . .	3.42	14.50
Branches	1.70	. . . .	. . . .	. . . .	1.50	3.20
THE SCHUYLKILL AND LEHIGH VALLEY RAILROAD COMPANY:						
Main Line—Lizard Creek Junction, Pa., to Blackwood, Pa.	40.14	. . . .	. . . .	. . . .	8.33	48.47
Branches	1.70	. . . .	. . . .	. . . .	. . . .	1.70
LOYALSOCK RAILROAD COMPANY:						
Main Line—Luzerne, Pa., to Bernice, Pa. . . .	44.85	. . . .	. . . .	. . . .	7.80	52.65
Branches	5.44	. . . .	. . . .	. . . .	1.61	7.05
MONTROSE RAILROAD COMPANY:						
Main Line—Tunkhannock, Pa., to Montrose, Pa. . . .	27.36	. . . .	. . . .	. . . .	3.60	30.96
Total	938.67	387.84	54.70	15.08	827.92	2,224.21

Lehigh Valley Railroad Company

MILEAGE OF TRACK OPERATED—Continued

CONTROLLED BY OWNERSHIP OF MAJORITY OF CAPITAL STOCK AND LEASE	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
LEHIGH AND NEW YORK RAILROAD COMPANY: Pennsylvania State Line to North Fair Haven, N. Y.	115.37	. . . . .	. . . . .	. . . . .	38.09	153.46
OPERATED UNDER LEASE	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
STATE LINE AND SULLIVAN RAILROAD COMPANY: Monrocton, Pa., to Bernice, Pa.	24.06	. . . . .	. . . . .	. . . . .	3.59	27.65
HAYTS CORNERS, OVID AND WILLARD RAILROAD COMPANY: Hayts Corners, N. Y., to Willard, N. Y.	2.98	. . . . .	. . . . .	. . . . .	.20	3.18
RARITAN TERMINAL AND TRANSPORTATION COMPANY: At Perth Amboy, N. J. . . . .	.69	. . . . .	. . . . .	. . . . .	.01	.70
NATIONAL STORAGE COMPANY: At National Stores, Jersey City, N. J. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	9.26	9.26
MORRIS CANAL AND BANKING COMPANY: At Phillipsburg, N. J. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	1.03	1.03
Total	27.73	. . . . .	. . . . .	. . . . .	14.09	41.82
TRackage RIGHTS	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
PENNSYLVANIA RAILROAD COMPANY: Tomhicken, Pa., to Gum Run, Pa.	1.84	. . . . .	. . . . .	. . . . .	. . . . .	1.84
PEOPLES RAILWAY COMPANY: Minersville, Pa., to Pottsville, Pa.	3.47	. . . . .	. . . . .	. . . . .	. . . . .	3.47
CENTRAL RAILROAD COMPANY OF NEW JERSEY: At Easton, Pa. . . . .	.08	. . . . .	. . . . .	. . . . .	. . . . .	.08
Oak Island Junction, N. J., to Jersey City, N. J.	6.65	6.65	. . . . .	. . . . .	. . . . .	13.30
WESTERN NEW YORK AND PENNSYLVANIA RAILWAY COMPANY: At Buffalo, N. Y. . . . .	.34	. . . . .	. . . . .	. . . . .	. . . . .	.34
SUSQUEHANNA AND NEW YORK RAILROAD COMPANY: Towanda Junction, Pa., to Monrocton, Pa.	4.00	. . . . .	. . . . .	. . . . .	. . . . .	4.00
NEW YORK CENTRAL RAILROAD COMPANY: Tonawanda Junction, N. Y., to Suspension Bridge, N. Y.	14.96	14.29	. . . . .	. . . . .	. . . . .	29.25
At Cayuga, N. Y.	2.14	. . . . .	. . . . .	. . . . .	. . . . .	2.14
On Wonalancet Branch, near Tonawanda, N. Y.	8.25	. . . . .	. . . . .	. . . . .	. . . . .	8.25
Suspension Bridge Yard . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	12.65	12.65
NEW YORK, ONTARIO AND WESTERN RAILROAD COMPANY: At Sylvan Junction, N. Y. . . . .	.10	. . . . .	. . . . .	. . . . .	. . . . .	.10
LEHIGH AND WILKES-BARRE COAL COMPANY: Franklin Junction, Pa., to Franklin Branch	1.00	. . . . .	. . . . .	. . . . .	. . . . .	1.00
ERIE AND WYOMING VALLEY RAILROAD COMPANY: Duryea Junction, Pa., to Old Forge, Pa. . . . .	.88	. . . . .	. . . . .	. . . . .	. . . . .	.88
Total	43.71	20.94	. . . . .	. . . . .	12.65	77.30

MILEAGE OF TRACK OPERATED—Concluded

RECAPITULATION	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
Lehigh Valley Railroad Company	316.88	186.08	44.81	29.76	323.01	900.54
Controlled by ownership of entire capital stock. . . .	938.67	387.84	54.70	15.08	827.92	2,224.21
Controlled by ownership of majority of capital stock and lease	115.37	. . . .	. . . .	. . . .	38.09	153.46
Operated under lease	27.73	. . . .	. . . .	. . . .	14.09	41.82
Trackage rights	43.71	20.94	. . . .	. . . .	12.65	77.30
Total	1,442.36	594.86	99.51	44.84	1,215.76	3,397.33
MILEAGE BY STATES	FIRST TRACK MILES	SECOND TRACK MILES	THIRD TRACK MILES	FOURTH TRACK MILES	YARD TRACKS AND SIDINGS MILES	TOTAL TRACKS MILES
Pennsylvania	653.95	284.21	49.61	31.79	589.35	1,608.91
New York	659.09	211.79	12.07	. . . .	360.72	1,243.67
New Jersey	129.32	98.86	37.83	13.05	265.69	544.75
Total	1,442.36	594.86	99.51	44.84	1,215.76	3,397.33

INFORMATION CONCERNING FUNDED DEBT AND GUARANTIES,
SCHEDULED ON PAGES 28 AND 29.

Lehigh Valley Railroad Company

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INFORMATION CONCERNING FUNDED DEBT AND GUARANTIES

JUNE 30, 1915

Lehigh Valley Railroad Company

Girard Trust Company, Trustee.
Philadelphia, Pa.
Dated May 15, 1868.

First Mortgage Bonds

Interest 4 per cent., payable June 1 and December 1,
at Company's office, Philadelphia, and J. P. Morgan
& Co., New York.
Principal payable June 1, 1948.

The bonds originally issued reached maturity June 1, 1898, and bore interest at the rate of 6 per cent., but the entire issue was extended for fifty years, with interest at the rate of 4 per cent., by an extension contract attached to the registered form and an extension contract and coupon sheets to the coupon form.

The authorized issue is \$5,000,000, in the denomination of \$1,000 each, all of which are outstanding, \$3,350,000 being in registered form and \$1,650,000 in coupon form.

There is no provision in the mortgage for the exchange of registered bonds for coupon bonds, nor can the coupon bonds be registered. The registered bonds are transferable at the office of the Secretary in Philadelphia.

They are listed on the Philadelphia Stock Exchange.

Property mortgaged: The line of railroad from Phillipsburg, N. J., to Wilkes-Barre, Pa., including sundry branch lines in the coal fields, a total length of 286.39 miles.

The Company pays and assumes the Federal Income Tax on these bonds, subject to any future restrictive construction of the Act by the Government or the Courts.

Lehigh Valley Railroad Company

Fidelity Trust Company, Trustee.
Philadelphia, Pa.
Dated November 13, 1873.

Consolidated Mortgage Bonds

Interest 6 per cent. and 4½ per cent., payable June 1
and December 1, at Company's office, Philadelphia,
and J. P. Morgan & Co., New York.
\$10,400,000 principal payable December 1, 1923.

Authorized issue.....	\$40,000,000
Sterling bonds, issued and since retired.....	\$5,000,000
Reserved under the terms of mortgage to retire \$5,000,000 First Mortgage Bonds of 1868 and \$6,000,000 Second Mortgage Bonds of 1870	12,000,000
	<u>17,000,000</u>
Bonds outstanding.....	\$23,000,000

being 23,000 bonds, in the denomination of \$1,000, as follows:—

BONDS MATURING DECEMBER 1, 1923.

FORM OF BOND	RATE OF INTEREST	NUMBER OF BONDS	
Registered	6 per cent.	4,319	
Coupon	6 per cent.	1,319	
Registered	4½ per cent.	3,093	
Coupon	4½ per cent.	1,669	
		<u>10,400</u>	
PERPETUAL OR ANNUITY BONDS			
Registered	6 per cent.	10,062	
Registered	4½ per cent.	2,538	
		<u>12,600</u>	

Total bonds outstanding..... 23,000

Prior to November 13, 1893, the holders of coupon and registered bonds, maturing December 1, 1923, had the privilege of surrendering the same for Annuity Bonds, and a number of bonds were so exchanged. This privilege under the terms of the mortgage, expired November 13, 1893, and the bonds are no longer exchangeable. These Annuity Bonds are a perpetual lien on the Company's property and cannot be retired, except upon default in the payment of interest by the Company.

The mortgage provides for interest at the rate of 6 per cent., but by appropriate action, this rate was subsequently reduced on \$7,300,000 of bonds to 4½ per cent. There is no provision for the registration of the 6 per cent. coupon bonds.

The 4½ per cent. coupon bonds may be registered as to principal only. There is no provision in the mortgage for the exchange of registered bonds for coupon bonds. The registered bonds are transferable at the office of the Secretary in Philadelphia.

They are listed on the Philadelphia Stock Exchange.

Property mortgaged: The main line from Phillipsburg, N. J., to Wilkes-Barre, Pa., and branches, a total of 316.88 miles.

The Company pays and assumes the Federal Income Tax on these bonds, subject to any future restrictive construction of the Act by the Government or the Courts.

Lehigh Valley Railroad Company

INFORMATION CONCERNING FUNDED DEBT AND GUARANTIES (Continued)

JUNE 30, 1915

Lehigh Valley Railroad Company

Girard Trust Company, Trustee.
Philadelphia, Pa.
Dated September 30, 1903.

General Consolidated Mortgage Bonds

Interest 4 per cent. and 4½ per cent., payable May 1
and November 1, at Company's office, Philadelphia,
and J. P. Morgan & Co., New York.
Principal payable May 1, 2003.

The authorized issue is \$150,000,000.

Denomination of coupon bonds \$1,000, of registered bonds \$1,000, \$5,000 and \$10,000. Coupon bonds may be registered as to principal only, or may be exchanged for an equivalent amount of registered bonds. The \$5,000 or \$10,000 registered bonds may be split, or the \$1,000 registered bonds may be consolidated. There is no provision in the mortgage for the exchange of registered bonds for coupon bonds.

These bonds may be registered or transferred at the office of the Secretary in Philadelphia, or at the office of J. P. Morgan & Co., New York.

The following bonds have been issued:

Bearing interest at the rate of 4 per cent.	\$39,639,000
Bearing interest at the rate of 4½ per cent.	10,000,000
A total of.....	\$49,639,000
Of which there are in the Company's treasury, 4 per cent. bonds.....	13,000,000
Leaving outstanding in the hands of the public.....	\$36,639,000

There may yet be issued bonds to the amount of \$100,361,000.

The mortgage provides that bonds may be issued in such denominations and at such rates of interest, not exceeding 5 per cent., as the Board of Directors may prescribe at the time of issue; and the Board of Directors may, at the time of issue, order that such bonds shall, at the election of the holder, be convertible into common stock of the Company, provided that the total amount issued, containing this provision, shall not at any time exceed \$25,000,000. The bonds authorized to be issued thus far are not subject to this provision.

Another feature of this mortgage is that it provides for bonds to be issued thereunder to cover the payment, at maturity, of outstanding bonds of various companies, subsidiary to the Lehigh Valley Railroad Company, by reason of their control through stock ownership.

Generally, this mortgage, by its provisions, is the means of binding together the various railroad properties, owned or controlled by the Lehigh Valley Railroad Company, and enables the Company to provide for the financial needs of the property as a System, rather than through the subsidiary companies forming its integral parts.

They are listed on the New York and Philadelphia Stock Exchanges.

Property mortgaged: The line of railroad from Phillipsburg, N. J., to Wilkes-Barre, Pa., including sundry branches, aggregating 316.88 miles, together with all leases under which the Company operates any railroads, also all real estate owned, and stocks and debentures of subsidiary companies forming constituent parts of the Lehigh Valley System, to an amount of \$57,027,225 par value.

The Company pays and assumes the Federal Income Tax on these bonds subject to any future restrictive construction of the Act by the Government or the Courts.

Lehigh Valley Railroad Company

Girard Trust Company, Trustee.
Philadelphia, Pa.
Dated November 1, 1905.

Collateral Trust Bonds

Interest 4 per cent., payable February 1 and August 1,
at Company's office, Philadelphia, and J. P. Morgan
& Co., New York.
Final principal payment due February 1, 1926.

The authorized issue of bonds is \$19,000,000, all of which have been issued in the form of coupon bonds of the denomination of \$1,000, and are in series of \$500,000, maturing February 1 and August 1 of each year, beginning August 1, 1907, the date of the final payment being February 1, 1926.

As of June 30, 1915, \$8,000,000 of these bonds have been paid off, leaving \$11,000,000 outstanding, of which \$1,123,000 are in the Company's treasury.

They may be registered as to principal only, or as to both principal and interest, at the office of the Secretary in Philadelphia. There is no provision in the Trust Agreement for the exchange of fully registered bonds for coupon bonds.

The Company may redeem these bonds on February 1 or August 1, in any year, at par and 2½ per cent. premium, after sixty days' notice.

Under this Trust Agreement the entire outstanding capital stock of Cox & Brothers & Company, Incorporated, amounting to 58,203 shares, of a par value of \$2,910,150, and also the entire outstanding capital stock of The Delaware, Susquehanna & Schuylkill Rail Road Company, amounting to 30,000 shares, of a par value of \$1,500,000, are deposited as collateral with the Trustee, for the purpose of securing the above issue of bonds.

The Company pays and assumes the Federal Income Tax on these bonds subject to any future restrictive construction of the Act by the Government or the Courts.

Lehigh Valley Railroad Company

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INFORMATION CONCERNING FUNDED DEBT AND GUARANTIES (Continued)

JUNE 30, 1915

Lehigh Valley Railroad Company

United States Mortgage and Trust Company, Trustee.
New York City.
Dated October 3, 1907.

Equipment Trust, Series J, Certificates

Interest $4\frac{1}{2}$ per cent., payable March 1 and September 1, at office of the Company, Philadelphia.
Principal payable in semi-annual instalments of \$250,000 each, to September 1, 1917.

Amount authorized and issued, \$5,000,000, of which \$3,750,000 have been paid off and cancelled.

These certificates are in coupon form of the denomination of \$1,000, and have the privilege of registration as to principal only at the office of the Secretary, Philadelphia.

They are secured by an equipment lease covering 1000 box cars, 1000 steel gondola cars, and 3000 steel coal cars.

The Company pays and assumes the Federal Income Tax on these certificates subject to any future restrictive construction of the Act by the Government or the Courts.

Lehigh Valley Terminal Railway Company

Central Trust Company, Trustee.
New York City.
Dated October 1, 1891.

First Mortgage Bonds

Interest 5 per cent., payable April 1 and October 1, at office of Lehigh Valley Railroad Company, Philadelphia, and J. P. Morgan & Co., New York.
Principal payable October 1, 1941.

The authorized issue is \$10,000,000, all of which are outstanding. They were originally issued in the form of coupon bonds of the denomination of \$1,000. These bonds may be registered as to principal only, or as to both principal and interest, at the office of the Secretary in Philadelphia, or at the office of J. P. Morgan & Co., New York. There is no provision in the mortgage for the exchange of registered bonds for coupon bonds.

The Lehigh Valley Railroad Company guarantees the payment of both principal and interest of these bonds by endorsement thereon.

They are listed on the New York and Philadelphia Stock Exchanges.

Property mortgaged: That portion of the line of the Lehigh Valley Railroad Company of New Jersey, extending from South Plainfield, N. J., to Constable Junction, N. J., together with sundry branches, a total length of 27.90 miles, and in addition thereto the terminal property at Jersey City, N. J., comprising 126.83 acres.

The Company pays and assumes the Federal Income Tax on these bonds subject to any future restrictive construction of the Act by the Government or the Courts.

Easton and Amboy Railroad Company

Provident Life and Trust Company, Trustee.
Philadelphia, Pa.
Dated April 13, 1880.

First Mortgage Bonds

Interest 5 per cent., payable May 1 and November 1, at office of Lehigh Valley Railroad Company, Philadelphia.
Principal payable May 1, 1920.

The authorized issue is \$6,000,000, all of which are outstanding. They are registered in form, and are of the denomination of \$1,000. They are transferable at the office of the Secretary in Philadelphia. There is no provision in the mortgage for the issuance of coupon bonds.

The Lehigh Valley Railroad Company guarantees the payment of both principal and interest of these bonds by endorsement thereon.

They are listed on the Philadelphia Stock Exchange.

Property mortgaged: That portion of the line of the Lehigh Valley Railroad Company of New Jersey, extending from Phillipsburg, N. J., to Perth Amboy, N. J., together with sundry branches, a total length of 69 miles.

The Company pays and assumes the Federal Income Tax on these bonds subject to any future restrictive construction of the Act by the Government or the Courts.

Easton and Northern Railroad Company

Girard Trust Company, Trustee.
Philadelphia, Pa.
Dated October 7, 1895.

First Mortgage Bonds

Interest $4\frac{1}{2}$ per cent., payable May 1 and November 1, at office of Lehigh Valley Railroad Company, Philadelphia.
Principal payable November 1, 1935.

The authorized issue is \$300,000, all of which are outstanding. They were originally issued in coupon form in the denominations of \$1,000 and \$500 and may be registered as to principal only, or as to both principal and interest, at the office of the Secretary in Philadelphia. There is no provision in the mortgage for the exchange of registered bonds for coupon bonds.

The Lehigh Valley Railroad Company guarantees the payment of both principal and interest by endorsement.

\$249,000 of these bonds are owned by the Lehigh Valley Railroad Company.

They are listed on the Philadelphia Stock Exchange.

Property mortgaged: The line of railroad extending from Easton, Pa., to Belfast, Pa., together with sundry branches, a total length of 12.78 miles.

The Company pays and assumes the Federal Income Tax on these bonds subject to any future restrictive construction of the Act by the Government or the Courts.

Lehigh Valley Railroad Company

INFORMATION CONCERNING FUNDED DEBT AND GUARANTIES (Continued)

JUNE 30, 1915

Pennsylvania and New York Canal and Railroad Company

Girard Trust Company, Trustee.
Philadelphia, Pa.
Dated November 13, 1888.

Consolidated Mortgage Bonds

Interest 5 per cent., 4½ per cent., and 4 per cent., payable
April 1 and October 1, at office of Lehigh Valley Rail-
road Company, Philadelphia.
Principal payable April 1, 1939.

The authorized issue is \$10,000,000, of which there are issued and outstanding \$8,500,000, as follows:—

Bearing interest at the rate of 5	per cent.,	\$4,000,000.
Bearing interest at the rate of 4½	per cent.,	1,500,000.
Bearing interest at the rate of 4	per cent.,	3,000,000.

\$8,500,000.

They were originally issued in the form of registered bonds, of the denomination of \$1000. The mortgage provides for interest at the rate of 5 per cent., but by appropriate action, this rate was subsequently reduced on \$1,500,000 of bonds to 4½ per cent., and on \$3,000,000 of bonds to 4 per cent. They are transferable at the office of the Secretary in Philadelphia. There is no provision in the mortgage for the issuance of coupon bonds.

The Lehigh Valley Railroad Company guarantees the payment of both principal and interest of these bonds by endorsement thereon.

They are listed on the Philadelphia Stock Exchange.

Property mortgaged: The line of railroad extending from Wilkes-Barre, Pa., to New York State line at Sayre, Pa., together with sundry branches, a total length of 137.08 miles.

The Company pays and assumes the Federal Income Tax on these bonds subject to any future restrictive construction of the Act by the Government or the Courts.

Lehigh and New York Railroad Company

Metropolitan Trust Company, Trustee.
New York City.
Dated August 24, 1895.

First Mortgage Bonds

Interest 4 per cent., payable March 1 and September 1,
at office of Lehigh Valley Railroad Company, Phila-
delphia, and J. P. Morgan & Co., New York.
Principal payable September 1, 1945.

The authorized issue is \$2,000,000, all of which are outstanding. They were originally issued in the form of coupon bonds of the denomination of \$1,000. These bonds may be registered as to principal only, or as to both principal and interest, at the office of the Secretary in Philadelphia, or at the office of J. P. Morgan & Co., New York. There is no provision in the mortgage for the exchange of registered bonds for coupon bonds.

The Lehigh Valley Railroad Company guarantees the payment of both principal and interest of these bonds by endorsement thereon.

They are listed on the New York Stock Exchange.

Property mortgaged: The line of railroad extending from Pennsylvania State Line (Sayre) to North Fair Haven, N. Y., a total length of 115.37 miles.

The Company pays and assumes the Federal Income Tax on these bonds subject to any future restrictive construction of the Act by the Government or the Courts.

The Lehigh Valley Rail Way Company

Girard Trust Company, Trustee.
Philadelphia, Pa.
Dated June 23, 1890.

First Mortgage Bonds

Interest 4½ per cent., payable January 1 and July 1, at
office of Lehigh Valley Railroad Company, Philadel-
phia, and J. P. Morgan & Co., New York.
Principal payable July 1, 1940.

The authorized issue is \$15,000,000, all of which are outstanding. They were originally issued in the form of coupon bonds of the denomination of \$1,000.

These bonds may be registered as to principal only, or as to both principal and interest, at the office of the Secretary in Philadelphia, or at the office of J. P. Morgan & Co., New York. There is no provision in the mortgage for the exchange of registered bonds for coupon bonds.

The Lehigh Valley Railroad Company guarantees the payment of both principal and interest of these bonds by endorsement thereon.

They are listed on the New York and Philadelphia Stock Exchanges.

Property mortgaged: The line of railroad extending from Pennsylvania State Line (Sayre) to Buffalo, N. Y., with branches, a total length of 514.95 miles. In addition, the lien of this mortgage covers what is known as the "Tift Farm Terminal," having a frontage of 6,212 feet on Lake Erie, containing about 519 acres, upon which various docks, warehouses and freight shipping facilities are located.

The Company pays and assumes the Federal Income Tax on these bonds subject to any future restrictive construction of the Act by the Government or the Courts.

Lehigh Valley Railroad Company

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INFORMATION CONCERNING FUNDED DEBT AND GUARANTIES (Continued)

JUNE 30, 1915

Middlesex Valley Railroad Company

Central Trust Company, Trustee.
New York City.
Dated August 26, 1892.

First Mortgage Bonds

Interest 5 per cent., payable May 1 and November 1, at office of Lehigh Valley Railroad Company, Philadelphia, and J. P. Morgan & Co., New York.
Principal payable November 1, 1942.

The authorized issue is \$600,000, all of which are outstanding. They were originally issued in the form of coupon bonds of the denomination of \$1000, and may be registered as to principal only at the office of the Secretary in Philadelphia, or at the office of J. P. Morgan & Co., New York.

The Lehigh Valley Railroad Company guarantees the payment of both principal and interest.

\$400,000 of these bonds are owned by the Lehigh Valley Railroad Company.

Property mortgaged: That portion of the line of The Lehigh Valley Rail Way Company, extending from Geneva, N. Y., to Naples, N. Y., a total length of 29.42 miles.

The Company does not assume the Federal Income Tax on these bonds.

The Lehigh and Lake Erie Railroad Company

United States Mortgage and Trust Company, Trustee.
New York City.
Dated March 1, 1907.

First Mortgage Bonds

Interest 4½ per cent., payable March 1 and September 1, at office of Lehigh Valley Railroad Company, Philadelphia, and J. P. Morgan & Co., New York.
Principal payable March 1, 1957.

The authorized issue of bonds under this mortgage is \$3,000,000, all of which are outstanding. They were originally issued in the form of coupon bonds of the denomination of \$1,000.

These bonds may be registered as to principal only, or as to both principal and interest, at the office of the Secretary in Philadelphia. There is no provision in the mortgage for the exchange of registered bonds for coupon bonds.

The Lehigh Valley Railroad Company guarantees the payment of both principal and interest of these bonds by endorsement thereon.

Property mortgaged: That portion of the line of The Lehigh Valley Rail Way Company, extending from Tift Farm Junction to Farm Terminal, Buffalo, N. Y., a total length of 10.93 miles.

The Company pays and assumes the Federal Income Tax on these bonds subject to any future restrictive construction of the Act by the Government or the Courts.

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